



REPORT
of the
PUBLIC ACCOUNTS COMMITTEE-II
on
APPROPRIATION ACCOUNTS
of the
GOVERNMENT OF THE PUNJAB
And
REPORT
of the
AUDITOR GENERAL OF PAKISTAN
2011-2012

PROVINCIAL ASSEMBLY OF THE PUNJAB

***REPORT OF THE
PUBLIC ACCOUNTS COMMITTEE-II
(2011-2012)***

APRIL 2018

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P R E F A C E

The legislature has constitutional mandate to conduct oversight and hold the executive accountable for using public resources. It employs various tools to effectively assess, monitor and evaluate the performance of the executive machinery with regard to the implementation of government policies and utilization of public money. One of the most important tool for oversight of the financial operations of government is a specialized committee known as the Public Accounts Committee. In many commonwealth countries, it is the oldest parliamentary committee and occupies quite a heightened status over other committees in the legislature. The importance of Public Accounts Committee as the legislative apex of financial oversight and scrutiny has long been recognized. Over the time, the Public Accounts Committee has evolved as the most critical legislative tool to ensure that there is effective, efficient and economical use of public funds; promote transparency and accountability in the use of public resources and to ensure that public funds are spent in order to benefit the public

According to Article 171 of the Constitution of Islamic Republic of Pakistan, the Report of the Auditor General relating to the accounts of the Province are submitted to the Governor, who causes them to be laid before the Provincial Assembly. The Reports of Auditor General, so laid in the Provincial Assembly are referred to the Public Accounts Committee under provisions of Rule 177 of the Rules of Procedure of the Provincial Assembly of the Punjab, for consideration. As such, Public Accounts Committee is one of the statutory organs of the Provincial Assembly of the Punjab.

The present Public Accounts Committee-II was constituted on 13 December 2013. The Appropriation Accounts, Financial Statements and Audit Reports for the year 2011-12 were laid in the Provincial Assembly of the Punjab and referred to PAC-II. The Committee considered the report in a series of 48 meetings. The Chairman and the Members unequivocally bent their diverse experience, expertise and dedications for expeditious completion of the work in hand. The visionary, innovative and inspirational personality of Dr Mukhtar Ahmad Bharath has been an undeniable peculiarity of the present Public Accounts Committee-II.

I would take this space to express my resolute commitment to serve and assist the legislature in performing the onerous task of law making, executive oversight and representation. Therefore, the Secretariat of Provincial Assembly has initiated a comprehensive program to capacitate the support staff and members of the Committee in order to achieve the utmost out of their roles. It is equally pertinent to acknowledge that the compilation, proof reading and finalization of this Report could become concrete due to the resolute and focused efforts of officers/staff of the Public Accounts Committee-II of the Provincial Assembly Secretariat.

(RAI MUMTAZ HUSSAIN BABER)

Senior Secretary

Provincial Assembly of the Punjab, Lahore

Dated Lahore, the
April 2018

INTRODUCTION

Public money, in democratic countries, cannot be spent nor can taxes be raised without first seeking the explicit consent of the Legislature. Parliamentary engagement with the financial matters of Government, normally has several stages. First, parliament votes public moneys, then, it might monitor budget execution, finally, parliament has to consider whether funds have been spent for the service or purpose specified by the authorization. One of the most important tools that a legislature has for oversight of the financial operations of government is a specialized committee. In the “Westminster model” of democracy, the committee is known as the Public Accounts Committee

The Public Accounts Committee is the core institution of financial accountability. It is the only channel through which the Parliament can directly examine the ministries/government departments about their management of public resources and financial operations. The Public Accounts Committee plays a key role to ensure accountability and transparency in the way Government agencies spend and manage their finances. Lord Hennessy described the Public Accounts Committee as:

"the queen of the select committees...[which]...by its very existence exerted a cleansing effect in all government departments"

Following the general elections 2013, the Public Accounts Committee-II was constituted by the Provincial Assembly of the Punjab on 13 December 2013. The Committee first finalized its deliberations/recommendations on Audit Report 2009-10 and then decided to take up the consideration of Appropriation Accounts and Audit Report for the year 2011-12 w.e.f 24.09.2014. The report was examined in a series of 48 meetings while a Monitoring & Implementation Sub-Committee was also appointed to review the follow up action on compliance of its directions/recommendations. This report of Public Accounts Committee-II on the Appropriation Accounts and Audit Report for the year 2011-12 comprises the deliberations and recommendations recorded in the minutes of the meetings, and is presented to the House in terms of rule 178 read with rule 166(2)(C) of the Rules of Procedure of the Provincial Assembly of the Punjab 1997.

During consideration of its business, the Public Account Committee issued various directives to the Administrative Departments as well as Audit which have been incorporated in the minutes of meetings as reproduced in this report. It is hoped that attention would be paid to identifying the lessons learnt from this exercise and the process should lead to appropriate reforms in organizational set-ups and procedures for direction and control. In order to create a productive and effective working atmosphere, the Committee suggests that Government should particularly take note of the following observations/recommendations:-

- The parliamentary oversight demands strong support and responsiveness from the government, therefore, SOPs be devised by the Government for follow-up action on recommendations of PAC. Each Department should appoint a Liaison Officer for PAC who must consistently pursue the field formations to ensure timely action on the recommendations of PAC.

- Each and every Institution/Department funded by public exchequer to deliver public services should be subject to the Auditor General's audit mandate in respect of those services and as such, be accountable to the PAC.
- Specially structured training should be provided to the Drawing & Disbursing Officers and regular mechanism for the purpose be devised by the Finance Department
- measures should be taken to curb the practices involving non-utilization of machinery/equipment procured in the Health Institutions as well as newly constructed office buildings

The Committee would like to acknowledge and appreciate the hard work put in by the staff of the Assembly Secretariat for consideration of the Appropriation Accounts & Audit Report 2011-12 by the Public Accounts Committee and for preparation of this report.

(DR. MALIK MUKHTAR AHMED BHARATH)

Chairman

Dated Lahore, the
April 2018

Public Accounts Committee-II
Provincial Assembly of the Punjab

AGRICULTURE

The Committee examined the Accounts and Audit Paras of the Agriculture Department in its meetings held on 18.12.2017 & 19.12.2017 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/ PC24010 (010) General Administration Pages 5 of Appropriation Accounts for the year 2011-12

04	Economic Affairs
042	Agri. Food, Irrigation, Forestry & Fishing
0421	Agriculture
042101	Administration/Land Commission
LQ4081	Agriculture Department

Final Grant	Rs. 61,655,000/-
Actual Expenditure	Rs. 59,718,767/-
Saving (-)	Rs. 1,936,233/-
Percentage	3.14%

18.12.2017: The Department explained that savings had occurred because several posts were lying vacant while savings in other heads were minor.

The Committee **settled the item** with the direction that surplus funds should be timely surrendered in future.

2. Grant No. PC21018 (018) Agriculture (All Voted) Pages 6 to 27 of Appropriation Accounts for the year 2011-12

(i)	04	Economic Affairs
	042	Agri. Food, Irrigation, Forestry & Fishing
	0421	Agriculture
	042101	Administration/Land Commission
	LQ4191	Planning And Evaluation Cell

Final Grant	Rs. 25,591,000/-
Actual Expenditure	Rs. 25,518,578/-
Saving (-)	Rs. 72,422/-
Percentage	0.28%

18.12.2017: The Department explained that excess expenditure against the sub-head A011-1 was due to revision of pay scales while savings against various sub-heads were minor.

The explanation of the department was accepted and **the item was settled**.

- (ii) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042101 Administration/Land Commission
LQ5306 Punjab Agriculture Development Supplies Corporation (PAD & SC)

Final Grant		Rs. 2,262,000/-
Actual Expenditure		Rs. 2,079,325/-
Saving	(-)	Rs. 182,675/-
Percentage		8.08%

18.12.2017: The Department explained that the item was related to Defunct organization and major savings had occurred because of vacant posts.

The item was accordingly settled.

- (iii) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4192 Subordinate And Expert Staff

Final Grant		Rs. 103,620,000/-
Actual Expenditure		Rs. 93,212,837/-
Saving	(-)	Rs. 10,407,163/-
Percentage		10.04%

18.12.2017: The Department explained that savings had occurred because several posts were lying vacant and the institute was not fully functional at that time as case regarding Economics and Marketing department was pending in court at that time.

The explanation of the department was accepted and the item was settled.

- (iv) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4193 Extension Services (Ext)

Final Grant		Rs. 403,916,000/-
Actual Expenditure		Rs. 397,347,907/-
Saving	(-)	Rs. 6,568,093/-
Percentage		1.63%

18.12.2017: The Department explained that excess expenditure against the sub-head A011-1 was due to revision of pay scales while savings against various sub-heads had

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occurred due to several vacant posts. While savings under the sub-head A012-2 were due to non-occurrence of claims for medical reimbursement from officers.

The Committee **settled the item** with the directions that financial mechanism should be improved for better estimation of expenses in the future and this decision should not be used as precedent in the future.

- (v) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4194 Extension Services (Floriculture)

Final Grant		Rs. 81,146,000/-
Actual Expenditure		Rs. 84,571,047/-
Excess	(+)	Rs. 3,425,047/-
Percentage		4.22%

18.12.2017: The Department explained that excess expenditures against the sub-heads A011-1 and A011-2 had occurred due to revision of pay scales while savings under sub-head A012-2 occurred due to lesser claims for medical treatment.

The **item was settled** with the directions that warning should be issued to officers/officials responsible for budget estimates and this decision should not be used as precedent in future. The Committee further endorsed the contention of Finance Department that steps should be taken for capacity building of the concerned DDOs.

- (vi) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4195 Extension Services (Research)

Final Grant		Rs. 1,380,860,000/-
Actual Expenditure		Rs. 1,333,663,483/-
Saving	(-)	Rs. 47,196,517/-
Percentage		3.42%

18.12.2017: The Department explained that saving had occurred because several posts were lying vacant and overall savings were minor.

The **item was accordingly settled.**

- (vii) 04 Economic Affairs

042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4196 On Farm Water Management Programme

Final Grant		Rs. 76,869,000/-
Actual Expenditure		Rs. 74,384,577/-
Saving	(-)	Rs. 2,484,423/-
Percentage		3.23%

18.12.2017: The Department explained that savings had occurred because several posts were lying vacant and overall saving was minor.

Savings being nominal, **the item was settled.**

(viii) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4197 Agriculture Engineering Soil Conservation and Boring Operations

Final Grant		Rs. 1,519,330,000/-
Actual Expenditure		Rs. 1,491,453,851/-
Saving	(-)	Rs. 27,876,149/-
Percentage		1.83%

18.12.2017: The Department explained that savings had occurred because several posts were lying vacant.

Savings being nominal, **the item was settled.**

(ix) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4198 Punjab Agriculture Research Board Lahore

Final Grant		Rs. 34,045,000/-
Actual Expenditure		Rs. 32,192,731/-
Saving	(-)	Rs. 1,852,269/-
Percentage		5.44%

18.12.2017: The Department explained that savings had occurred because several posts were lying vacant. It was added that an inquiry had been conducted into the matter which

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concluded that lack of leadership and procedural lapses were main reasons due to which these posts were not filled.

The explanation of the Department was accepted and **the item was settled.**

- (x) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4199 Works

Final Grant		Rs. 3,500,000/-
Actual Expenditure		Rs. 3,436,979/-
Saving	(-)	Rs. 63,021/-
Percentage		1.80%

18.12.2017: The Department explained that accounts had been reconciled and there were savings of Rs. 63,021/- which was 1.80% of final grant.

Savings being nominal, **the item was settled.**

- (xi) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4200 Lump sum Provision for Incentives

Final Grant		Rs. 1,989,000/-
Actual Expenditure		Rs. 1,978,000/-
Saving	(-)	Rs. 11,000/-
Percentage		0.55%

18.12.2017: The Department explained that accounts had been reconciled and there were savings of Rs. 11,000/- which was 0.55% of final grant.

Savings being nominal, **the was item settled.**

- (xii) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4357 Lump sum Provision for Punjab Agriculture Marketing Company (PAMCO)

Final Grant		Rs. 5,923,000/-
Actual Expenditure		Rs. 5,515,250/-
Saving	(-)	Rs. 407,750/-
Percentage		6.88%

18.12.2017: The Department explained that PAMCO and its officers had been transferred to Livestock and these vacant posts resulted in savings.

The explanation of the Department was accepted and **the item was settled.**

- (xiii) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service

LQ4529 Water Courses (Punjab Component)

Final Grant		Rs. 24,154,000/-
Actual Expenditure		Rs. 30,335,762/-
Excess	(+)	Rs. 6,181,762/-
Percentage		25.59%

18.12.2017: The Department explained that reconciliation of accounts was required in case of above items with the AG office and Finance Department.

The item was kept pending for reconciliation of accounts.

- (xiv) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service

LQ4530 Water Courses for Regional Offices

Final Grant		Rs. 37,586,000/-
Actual Expenditure		Rs. 33,383,410/-
Saving	(-)	Rs. 4,202,590/-
Percentage		11.18%

18.12.2017: The Department explained that savings had occurred because of several vacant posts, lesser number of claims of medical charges and lower than estimated utility bills.

The item was accordingly settled.

- (xv) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service

LQ4765 Estb. of WTO in Agriculture Deptt.

Final Grant		Rs. 2,981,000/-
Actual Expenditure		Rs. 2,995,870/-
Excess	(+)	Rs. 14,870/-
Percentage		0.50%

18.12.2017: The Department explained that accounts had been reconciled and there was excess of Rs. 14,870/- which was 0.50% of final grant.

Excess being nominal, the item was settled.

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- (xvi) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4781 Soil Survey of Punjab

Final Grant		Rs. 35,000,000/-
Actual Expenditure		Rs. 34,609,263/-
Saving	(-)	Rs. 390,737/-
Percentage		1.12%

18.12.2017: The Department explained that excess under sub-head A011-1 was due to under estimation of salaries while savings in other sub-heads were minor.

The explanation of the Department was accepted and **the item was settled** with the directions that such lapses should be strictly avoided in future.

- (xvii) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042103 Agriculture Research And Extension Service
LQ4001 RAEDC Vehari

Final Grant		Rs. 15,117,000/-
Actual Expenditure		Rs. 13,389,966/-
Saving	(-)	Rs. 1,727,034/-
Percentage		11.42%

18.12.2017: The Department explained that excess under sub-head A011-1 was due to revision of pay scales while savings against sub-heads A012-1 and A012-2 were due to merger of allowances and ban on contingent paid staff.

The explanation of the Department was accepted and **the item was settled**.

- (xviii) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042104 Plants Protection And Locust Control
MP4006 Plants Protection And Locust Control Multan

Final Grant		Rs. 252,682,000/-
Actual Expenditure		Rs. 244,380,125/-
Saving	(-)	Rs. 8,301,875/-
Percentage		3.29%

18.12.2017: The Department explained that the saving was nominal i.e. 3.29% which had occurred across 47 DDOs of the Department.

The explanation of the Department was accepted and **the item was settled.**

- (xix) 04 Economic Affairs
042 Agri. Food, Irrigation, Forestry & Fishing
0421 Agriculture
042113 Information And Statistics
LQ5299 Agriculture Census/Statistics

Final Grant		Rs. 437,882,000/-
Actual Expenditure		Rs. 428,905,246/-
Saving	(-)	Rs. 8,976,754/-
Percentage		2.05%

18.12.2017: The Department explained that saving had occurred because several posts were lying vacant.

The Committee **settled the item** with directions/recommendations that warning be issued to the concerned DDOs responsible for excess expenditure against the sub-head A012-2.

- (xx) 04 Economic Affairs
044 Mining And Manufacturing
0441 Manufacturing
044120 Others
BO4003 Karkhana Allat-e-Zaree Bahawalpur (BR4003)

Final Grant		Rs. 25,284,000/-
Actual Expenditure		Rs. 23,533,364/-
Saving	(-)	Rs. 1,750,636/-
Percentage		6.92%

18.12.2017: The Department explained that savings had occurred due to various vacant posts, non-utilization of medical charges and closing of Karkhana Allat-e-Zaree.

The explanation of the Department was accepted and **the item was settled.**

- (xxi) 08 Recreational, Culture And Religion
082 Culture Services
0821 Culture Services
082120 Others
LQ4189 Government Gardens (Floriculture)

Final Grant		Rs. 1,200,000/-
Actual Expenditure		Rs. 1,037,125/-
Saving	(-)	Rs. 162,875/-
Percentage		13.57%

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19.12.2017: The Department explained that expenditure had been wrongly booked and reconciliation of accounts was required in case of above item.

The **item was kept pending** with directions/recommendations that Agriculture Department, PHA and AG office should sit together to reconcile the expenditure figures.

- (xxii) 08 Recreational, Culture And Religion
 083 Broadcasting And Publishing
 0831 Broadcasting And Publishing
 083103 Publicity

LQ4188 Agriculture Information Bureau

Final Grant		Rs. 111,744,000/-
Actual Expenditure		Rs. 110,625,296/-
Saving	(-)	Rs. 1,118,704/-
Percentage		1.00%

- (xxiii) 09 Education Affairs And Services
 093 Tertiary Education Affairs And Services
 0931 Tertiary Education Affairs And Services
 093102 Professional/Technical/Universities/Colleges

LQ4190 Agriculture Training Institute

Final Grant		Rs. 91,823,000/-
Actual Expenditure		Rs. 89,135,880/-
Saving	(-)	Rs. 2,687,120/-
Percentage		2.93%

19.12.2017: The Department explained that saving had occurred because several posts were lying vacant.

The explanation of the Department was accepted and **the items were settled.**

- (xxiv) 09 Education Affairs And Services
 093 Tertiary Education Affairs And Services
 0931 Tertiary Education Affairs And Services
 093102 Professional/Technical/Universities/Colleges

RA4006 Barani Agriculture College/University of ARID Agriculture Rawalpindi

Final Grant		Rs. 41,367,000/-
Actual Expenditure		Rs. 41,367,000/-
Excess/Saving		<i>Nil</i>
Percentage		0.00%

- (xxv) 09 Education Affairs And Services
 093 Tertiary Education Affairs And Services
 0931 Tertiary Education Affairs And Services
 093102 Professional/Technical/Universities/Colleges

LQ4777 University of Agriculture Faisalabad

Final Grant	Rs. 2,000,000/-
Actual Expenditure	Rs. 2,000,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

19.12.2017: The Department explained that all the allocated funds had been fully utilized.

The items were accordingly settled.

3. Grant No. PC22036 (036) Development: (All Voted) Pages 28 to 32 of Appropriation Accounts for the year 2011-12

- (i) 04 Economic Affairs
 042 Agri. Food, Irrigation, Forestry & Fishing
 0421 Agriculture
042103 Agriculture Research And Extension Services
LE4262 Agriculture Research & Extension Services

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs. 158,144,000/-	Rs. 158,144,000/-
Actual Expenditure	Rs. 139,145,055/-	Rs. 156,913,715/-
Saving (-)	Rs. 18,998,945/-	Rs. 1,230,285/-
Percentage	12.01%	0.78%

- (ii) 04 Economic Affairs
 042 Agri. Food, Irrigation, Forestry & Fishing
 0421 Agriculture
042103 Agriculture Research & Extension Services
LE4265 Agriculture Research & Extension Services

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs. 43,559,000/-	Rs. 43,559,000/-
Actual Expenditure	Rs. 41,976,574/-	Rs. 42,271,538/-
Saving (-)	Rs. 1,582,426/-	Rs. 1,287,462/-
Percentage	3.63%	2.96%

- (iii) 04 Economic Affairs
 042 Agri. Food, Irrigation, Forestry & Fishing
 0421 Agriculture
042103 Agriculture Research & Extension Services
LE4267 Agriculture Research & Extension Services

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs. 343,762,000/-	Rs. 343,762,000/-
Actual Expenditure	Rs. 179,526,621/-	Rs. 326,615,547/-
Saving (-)	Rs. 164,235,379/-	Rs. 17,146,453/-
Percentage	47.78%	4.99%

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- (iv) 04 Economic Affairs
 042 Agri. Food, Irrigation, Forestry & Fishing
 0421 Agriculture
 042103 Agriculture Research & Extension Services
LE4268 Agriculture Research & Extension Services

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs. 233,369,000/-	Rs. 233,369,000/-
Actual Expenditure	Rs. 403,385,623/-	Rs. 232,340,909/-
Excess (+)	Rs. 170,016,623/-	Rs. 1,028,091/-
Percentage	72.85%	0.44%

19.12.2017: The representative of AG Punjab stated that reconciliation of accounts was required in case of above items.

The items were kept pending for reconciliation of accounts within seven days.

**4. Grant No. PC12038 (038) Agriculture Improvement & Research (All Voted)
 Pages 33 & 34 of Appropriation Accounts for the year 2011-12**

- (i) 04 Economic Affairs
 042 Agriculture, Food, Irrigation, Forestry and Fishing
 0421 Agriculture
 042103 Agriculture Research & Extension Services
LE4248 Agriculture Research & Extension Services

Final Grant	Rs. 5,800,000/-
Actual Expenditure	Rs. 5,799,089/-
Saving (-)	Rs. 911/-
Percentage	0.02%

19.12.2017: The Department explained that accounts had been reconciled and there was nominal saving of Rs. 911/- which was 0.02% of final grant.

Savings being nominal, **the item was settled.**

- (ii) 04 Economic Affairs
 042 Agriculture, Food, Irrigation, Forestry and Fishing
 0421 Agriculture
 042103 Agriculture Research & Extension Services
LE4249 Agriculture Research & Extension Services

Final Grant	Rs. 67,783,000/-
Actual Expenditure	Rs. 67,475,784/-
Saving (-)	Rs. 307,216/-
Percentage	0.45%

19.12.2017: The Department explained that allocated funds had been almost fully utilized.

The representative of AG Punjab stated that reconciliation of accounts was required in case of above item.

The **item was kept pending** for reconciliation of accounts within seven days.

- (iii) 04 Economic Affairs
042 Agriculture, Food, Irrigation, Forestry and Fishing
0421 Agriculture
042103 Agriculture Research & Extension Services
LE4250 Agriculture Research & Extension Services

Final Grant		Rs. 24,901,000/-
Actual Expenditure		Rs. 20,539,304/-
Saving	(-)	Rs. 4,361,696/-
Percentage		17.52%

19.12.2017: The Department explained that the funds were allocated to purchase three cars but due to increase in prices, only two vehicle could be purchased, which resulted in saving.

The explanation of the Department was accepted and **the item was settled.**

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

1. **Para No.2.4.1 Pages 16 & 17 of Audit Report for the year 2011-12, Irregular appointment without advertisement in press – Rs. 2.250 million**
-

AIR No. 9 University of Agriculture, Faisalabad

19.12.2017: The Department admitted that irregularity had been committed in the subject case. Therefore, it would be moved to Finance Department for seeking regularization.

The **para was kept pending** with directions/recommendations that PAO should thrash out the matter to fix responsibility for the irregularity. Then case be moved to the Finance Department for seeking regularization.

2. **Para No.2.4.2 Pages 17 & 18 of Audit Report for the year 2011-12, Irregular expenditure without tender – Rs.954,724/-**
-

AIR No. 3 Director, Cotton Research Institute, Faisalabad

19.12.2017: The Department explained that matter had been moved to Finance Department for seeking regularization.

The Committee conditionally **settled the para** subject to decision of the Finance Department within 30 days.

3. **Para No.2.4.3 Pages 18 to 20 of Audit Report for the year 2011-12, Irregular auction of crops/orchards – Rs.10.861 million**
-

- (i) **2.4.3.1 AIR No. 02 University of Agriculture, Faisalabad – Rs. 7,636,311/-**

19.12.2017: The Department explained that the subject case had been got regularized from syndicate and relevant record was available for verification.

Audit contended that subject issue could not be regularized by the syndicate.

The **para was kept pending** with directions/recommendations that case be moved to the Finance Department for seeking regularization.

- (ii) **2.4.3.2 AIR No. 03 Director, Cotton Research Institute, Faisalabad – Rs.3,224,955/-**

19.12.2017: The Department explained that as per the decision of SDAC, the matter had been got regularized by the Finance Department which had been verified by Audit.

On the recommendation of Audit, **the para was settled.**

4. Para No.2.4.4 Pages 20 to 21 of Audit Report for the year 2011-12, Unauthorized purchase of vehicles during the ban – Rs. 4.567 million

AIR No. 03 University of Agriculture, Faisalabad

19.12.2017: The Department explained that the University of Agriculture Faisalabad was an autonomous body and purchase of vehicles was approved by its Austerity Committee.

Audit contended that Austerity Committee was not competent in the subject case and regularization from Finance Department was required.

The Committee directed/recommended that the matter be moved to Finance Department for seeking regularization.

The para was kept pending.

5. Para No.2.4.5 Pages 21 & 22 of Audit Report for the year 2011-12, Purchase of sub-standard “BITTS” for boring machine – Rs.4.03 million

AIR No. 1 Director General Agriculture (Field), Lahore

19.12.2017: The Department explained that an inquiry had been conducted into the matter and resultantly show cause notice had been issued to responsible officer who had retired. Similarly, the procedure for blacklisting of the concerned firm had been initiated and the case had also been referred to NAB for investigation.

The Committee was not satisfied with departmental contention and desired that case be referred to Anti-corruption Establishment Punjab for registration of FIR against the responsible incumbents.

The para was kept pending.

6. Para No.2.4.6 Pages 22 & 23 of Audit Report for the year 2011-12, Loss due to illegal occupation of land – Rs.3.291 million

AIR No. 1 Horticulturist, Hill Fruit, Murree

19.12.2017: The Department explained that no loss was suffered by Govt. as 5 kanals of land was taken by TMA Murree and was replaced by a different piece of land of same the size.

Audit opined that proof of receiving land and certificate that no loss was sustained by the Department was required for settlement of the subject matter.

The para was conditionally settled to verification of requisite record by Audit.

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7. **Para No.2.4.7 Pages 23 & 24 of Audit Report for the year 2011-12, Unauthorized execution of works & payment against the approved PC-I – Rs.1.80 million**
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AIR No. 17 University of Arid Agriculture, Rawalpindi

19.12.2017: The Department explained that results of trial bores showed that the quantity of underground water was inadequate for tube well installation and hence a dug well was installed. The project was completed within approved cost and revision of PC-I was not possible at that stage. It was added that PC-IV had been submitted to HEC, Islamabad for necessary approval.

The Committee **kept the para pending** till approval of PC-IV by the competent forum.

8. **Para No.2.4.8 Pages 24 & 25 of Audit Report for the year 2011-12, Unauthorized Promotions contrary to University Statutes – Rs.827,045/-**
-

AIR No. 22 & 27 University of Arid Agriculture, Rawalpindi

19.12.2017: The Department explained that the Senior Scale Stenographers were promoted to Personal Assistants by the competent authority as per rules and regulations while promotion of sub-engineers to Associate Engineers had been regularized by the Syndicate.

Audit contended that syndicate was not the competent authority to regularize the promotion of Sub-Engineers and regularization from Finance was required.

The Committee **settled the para** to the extent of promotion of Stenographers to Personal Assistants and kept the remaining portion pending for seeking regularization from Finance Department.

9. **Para No.2.4.9 Page 26 of Audit Report for the year 2011-12, Non recovery of Government dues – Rs.9.520 million**
-

AIR No. 1 Director, Agronomic Research Institute, Faisalabad

19.12.2017: The Department explained that partial recovery had been effected and deposited in Government Treasury which could be verified by Audit. Meanwhile, hectic efforts were being made for recovery of balance outstanding dues.

The **para was kept pending** for recovery of outstanding amount and its amount was reduced to the extent of recovery verified by Audit.

10. Para No.2.4.10 Pages 27 & 28 of Audit Report for the year 2011-12, Non recovery of utility charges from shops/canteens – Rs.5.246 million

AIR No. 4 & 5 University of Agriculture, Faisalabad

19.12.2017: The Department explained that partial recovery had been effected while efforts were being made for balance recovery.

The amount of para was reduced to the extent of recovery verified by Audit with directions that outstanding amount be recovered within 30 days.

The para was kept pending.

11. Para No.2.4.11 Pages 28 & 29 of Audit Report for the year 2011-12, Non recovery of auction money of orchard – Rs.369,500/-

AIR No. 3 Director Horticulture Research Institute, Faisalabad

19.12.2017: The Department explained that total outstanding amount had been recovered and had been deposited in Government Treasury which could be verified by Audit.

The para was conditionally settled subject to verification of requisite challans by Audit.

12. Para No.2.4.12 Pages 29 & 30 of Audit Report for the year 2011-12, Loss of revenue due to non recovery of income tax at source – Rs.280,103/-

(i) 2.4.12.1 AIR No. 36 University of Arid Agriculture, Rawalpindi – Rs. 210,925/-

19.12.2017: The Department explained that partial recovery had been effected and deposited into Government Treasury which could be verified by Audit and efforts were being made for recovery of balance outstanding dues.

The para was kept pending for recovery of outstanding amount with the directions that its amount be reduced to the extent of recovery verified by Audit.

(ii) 2.4.12.2 AIR No. 12 Project Director Bagh-e-Jinnah, Lahore – Rs. 69,178/-

19.12.2017: The Department explained that total recovery had been effected which had been got verified by Audit.

On recommendation of Audit, the para was settled.

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

1. Para No.1.2.1.1 Pages 3 of Audit Report for the year 2011-12, Comments on Audited Accounts

19.12.2017: The Department stated that Punjab Agricultural Development & Supplies Corporation had been wrapped up and requested for settlement of para.

The request of the Department was accepted and **the para was settled.**

2. Para No.1.3.1.1 Page 4 of Audit Report for the year 2011-12, Comments on Audited Accounts

19.12.2017: The Department explained that Audited accounts of the Punjab Seed Corporation for the year 2010-11 had been submitted to Audit and initial delay was due to late issuance of report by the External Auditors.

The **para was accordingly settled.**

3. Para No.1.3.1.2 Pages 4 & 5 of Audit Report for the year 2011-12, Working Results

19.12.2017: The Department explained that decrease in sale proceeds was mainly due to decrease in procurement targets, while cost of fertilizers, pesticides, labour and utility charges had increased.

The Committee observed that performance of Punjab Seed Corporation was not satisfactory in terms of facilitating the farmers.

The PAO also endorsed the concerns of the Committee and observed that role of PSC needs to be confined to a regulator only instead that of a procuring agency.

The Committee desired that PSC should focus on facilitating the farmers. Meanwhile Performance Audit of Punjab Seed Corporation should be conducted by the Director General Commercial Audit pertaining to accounts of last three years and report be submitted to the PAC within six months.

With the above directions/recommendations, **the para was settled.**

4. Para No.1.3.1.3 Page 5 of Audit Report for the year 2011-12, Working Results

19.12.2017: The Department explained that funds for promotion and publicity were approved by PSC Board of Directors and expenditure was incurred accordingly for sale promotion of wheat seed. However, it was not justified to compare the promotion & publicity expenses with that of previous year.

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

5. Para No.1.3.1.4 Page 5 of Audit Report for the year 2011-12, Working Results

19.12.2017: The Department explained that increase in financial charges was due to increase in wheat price as well as fixation of higher targets for procurement. However, payment of borrowed funds had been made well in time. It was added that profit earned had been added to the working capital.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

6. Para No.1.3.1.5 Pages 5 & 6 of Audit Report for the year 2011-12, Working Results

19.12.2017: The Department stated that some faults were noticed in Cereal Plant Sahiwal and the contractor was directed to remove the same but he refused to do so. Therefore, legal action was taken against him and the case was pending in court but contractor was not appearing in court. The Administrative Secretary admitted that delay was due to negligence of the concerned officers, as the case was pending since 30 years and an inquiry was already being conducted into the matter.

The Committee **kept the para pending** with directions/recommendations that responsibility be fixed for huge delay and non-perusal of the case by the concerned authorities and disciplinary action be taken against the delinquents under intimation to the PAC.

7. Para No.1.3.1.6 Page 6 of Audit Report for the year 2011-12, Working Results

19.12.2017: The Department explained that its crop/seed business was a seasonal activity indifferent from its financial year and wheat procurement of one financial year were sold in the next year.

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

8. Para No.1.3.1.7 Page 6 of Audit Report for the year 2011-12, Working Results

19.12.2017: The Department explained that Pattedars had illegally occupied the land of Punjab Seed Corporation and despite hectic efforts, as well as appointment of high level committee by the Chief Minister, outstanding amount and land could not be recovered.

Finance Department apprised that a policy decision on the issue was under consideration of the Government.

The **para was kept pending**.

9. Para No.1.3.1.8 Page 6 of Audit Report for the year 2011-12, Working Results

19.12.2017: The Department stated that actual outstanding amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

10. Para No.1.3.1.9 Page 6 of Audit Report for the year 2011-12, Working Results

19.12.2017: The Department stated that practice of availing credit facility from Financial Institutions had been abandoned and as such Audit observation was not valid.

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

11. Para No.1.3.2.1 Pages 7 of Audit Report for the year 2011-12, Purchase of medicines in violation of Punjab Public Procurement Rules – Rs. 2.138 million

19.12.2017: The Department explained that the expenditure had been got regularized by Board of Directors of Corporation which had been verified by Audit.

On the recommendation of Audit, **the para was settled.**

12. Para No.1.3.2.2 Pages 8 & 9 of Audit Report for the year 2011-12, Loss of Rs.91.669 million due to sale of wheat, paddy and cotton seed as non seed

19.12.2017: The Department explained that the leftover stock was auctioned through PPRA at a price lower than sale price which resulted in loss but that was normal practice and overall the corporation earned profits during that year. Moreover, the matter had also been regularized by the Board of Directors.

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

**BOARD OF
REVENUE PUNJAB**

The Committee examined the Accounts and Audit Paras of the Board of Revenue Punjab in its meetings held on 25.03.2015 & 26.03.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21002 (002) Land Revenue (All Voted) Pages 613 to 621 of Appropriation Accounts for the year 2011-12

- (i) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042102 Land Management (Land Record & Colonization)
LQ4002 Superintendence

Final Grant		Rs.2,989,000/-
Actual Expenditure		Rs.2,832,470/-
Saving	(-)	Rs. 156,530/-
Percentage		5.24%

- (ii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042102 Land Management (Land Record & Colonization)
LQ4004 Consolidation of Land Holdings Superintendence

Final Grant		Rs.6,630,000/-
Actual Expenditure		Rs.6,510,778/-
Saving	(-)	Rs. 119,222/-
Percentage		1.80%

25.03.2015: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A011-2 was due to wrong booking.

The **above items were conditionally settled** subject to reconciliation of budget figures against the sub-head A011-2, with the Finance Department.

- (iii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042102 Land Management (Land Record & Colonization)
LQ4003 Land Record-Superintendence

Final Grant		Rs.23,405,000/-
Actual Expenditure		Rs.22,988,024/-
Saving	(-)	Rs. 416,976/-
Percentage		1.78%

25.03.2015: The Department explained that there were nominal savings against various sub-heads because some posts were lying vacant during the financial year.

The explanation of the Department was accepted and the **item was settled**.

- (iv) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042102 Land Management (Land Record & Colonization)
LQ4573 Consolidation of Land Holding District

Final Grant		Rs.205,442,000/-
Actual Expenditure		Rs.165,764,420/-
Saving	(-)	Rs. 39,677,580/-
Percentage		19.31%

- (v) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042102 Land Management (Land Record & Colonization)
LQ4577 Land Reclamation & Protection

Final Grant		Rs.26,938,000/-
Actual Expenditure		Rs.26,062,458/-
Saving	(-)	Rs. 875,542/-
Percentage		3.25%

25.03.2015: The Department explained that saving had occurred because several posts were lying vacant and there was ban on recruitment by the Government during the financial year.

The Committee **settled the above items** with the directions that surplus funds should be timely surrendered in future.

- (vi) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042102 Land Management (Land Record & Colonization)
LQ4576 Forest Reserve & Grazing Land

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Final Grant		Rs.2,878,000/-
Actual Expenditure		Rs.4,423,693/-
Excess	(+)	Rs.1,545,693/-
Percentage		53.71%

25.03.2015: The Department explained that excess expenditure had been incurred on account of Pay & Allowances which was inevitable for payment of salaries to the employees.

The Committee **conditionally settled the item** subject to condonation of excess expenditure by the Finance Department.

- (vii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042102 Land Management (Land Record & Colonization)
LQ4579 Colonization

Final Grant		Rs.119,754,000/-
Actual Expenditure		Rs.142,429,217/-
Excess	(+)	Rs. 22,675,217/-
Percentage		18.93%

- (viii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042102 Land Management (Land Record & Colonization)
LQ4581 Land Record – district Charges

Final Grant		Rs.1,678,492,000/-
Actual Expenditure		Rs.1,849,990,497/-
Excess	(+)	Rs. 171,498,497/-
Percentage		10.22%

25.03.2015: The Department explained that excess expenditure had been incurred on account of Pay & Allowances which was inevitable and field offices failed to make proper assessment in proposal for 2nd statement of excess & surrenders.

The Committee directed/recommended that an inquiry would be conducted to thrash out huge fluctuation against various sub-heads and then, excess expenditure should be got regularized by the Finance Department.

The above **items were kept pending.**

2. **Grant No. PC21004 (004) Stamps (All Voted) Pages 622 & 623 of Appropriation Accounts for the year 2011-12**

- (i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I.Tax, Excise) & Taxation Department
LQ4008 Superintendence

Final Grant		Rs.9,849,000/-
Actual Expenditure		Rs.9,324,531/-
Saving	(-)	Rs. 524,469/-
Percentage		5.33%

25.03.2015: The Department explained that saving had occurred because some posts were lying vacant. Moreover, sufficient funds had to be retained for travelling allowance of the Inspectors who inspected various field offices for collection of stamp duty and to check the use of fake stamp paper.

The explanation of the Department was accepted and the **item was settled.**

- (ii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I.Tax, Excise) & Taxation Department
LQ4009 Cost of Stamps Supplied From Central Stamps Store

Final Grant		Rs.132,500,000/-
Actual Expenditure		Rs.167,808,530/-
Excess	(+)	Rs. 35,308,530/-
Percentage		26.65%

25.03.2015: The Department explained that no excess expenditure was incurred as an amount of Rs.35,308,530/- pertained to transfer payment from the Federal Government and the facts had been got verified by the office of Accountant General Punjab.

On the recommendation of representative of Account General office, the **item was settled.**

- (iii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I.Tax, Excise) & Taxation Department
LQ4010 Charges for the Sale of Stamps

Final Grant		Rs.42,500,000/-
Actual Expenditure		Rs.41,349,242/-

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Saving	(-)	Rs. 1,150,758/-
Percentage		2.71%

25.03.2015: The Department explained that saving had occurred because expenditure under the above head was unforeseen in nature and based on sale transaction.

The explanation of the Department was accepted and the **item was settled**.

3. Grant No. PC21006 (006) Registration (All Voted) Pages 624 & 625 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I.Tax, Excise) & Taxation Department
LQ4016 Superintendence

Final Grant		Rs.4,625,000/-
Actual Expenditure		Rs.4,552,761/-
Saving	(-)	Rs. 72,239/-
Percentage		1.56%

25.03.2015: The Department explained that minor saving had occurred due to some vacant posts.

The explanation of the Department was accepted **and item was settled**.

- (ii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I.Tax, Excise) & Taxation Department
LQ4574 District Charges

Final Grant		Rs.32,902,000/-
Actual Expenditure		Rs.32,978,335/-
Excess	(+)	Rs. 76,335/-
Percentage		0.23%

25.03.2015: The Department explained that excess expenditure had been incurred on account of Pay & Allowances which was inevitable and field offices failed to make proper assessment in proposal for 2nd statement of Excess & Surrenders.

The **item was kept pending** with the directions/recommendations that excess expenditure should be got regularized by the Finance Department.

4. Grant No. PC21009 (009) Irrigation and Land Reclamation (All Voted) Pages 434 to 436 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others

RQ4001 Grant in Aid to Rajanpur (Hill Torrents)

Final Grant		Rs.807,000/-
Actual Expenditure		Rs.786,665/-
Saving	(-)	Rs. 20,335/-
Percentage		2.52%

25.03.2015: The Department explained that minor saving against various sub-heads had occurred due to variation in salaries of different employees.

The explanation of the Department was accepted and the **item was settled**.

- (ii) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others

DQ4003 Grant in Aid to D.G.Khan (Hill Torrents)

Final Grant		Rs.3,429,000/-
Actual Expenditure		Rs.2,805,203/-
Saving	(-)	Rs. 623,797/-
Percentage		18.19%

25.03.2015: The Department explained that saving had been occurred due to late release of supplementary funds which could not be utilized due to time constraints.

The Committee **settled the item** with the directions/recommendations that Finance Department should avoid such lapses in future.

5. Grant No. PC21010/PC24010 (010) General Administration Pages 626 to 636 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I.Tax, Excise) and Taxation Department
LQ4099 Board of Revenue

Final Grant		Rs.249,651,000/-
Actual Expenditure		Rs.249,555,527/-
Saving	(-)	Rs. 95,473/-

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Percentage 0.04%

25.03.2015: The Department explained that saving had occurred because printing of security papers for issuance of *fard* could not be completed timely while excess expenditure had been incurred on account of pay & allowances which was inevitable.

The **item was kept pending** with the directions/recommendations that excess expenditure should be got regularized by the Finance Department.

- (ii) 01 General Public Services
011 Executive & Legislative Organs, Finance
0111 Executive & Legislative Organs
011111 Divisional Administration
LQ4508 Divisional Administration

Final Grant		Rs.315,950,000/-
Actual Expenditure		Rs.276,273,921/-
Saving	(-)	Rs. 39,676,079/-
Percentage		12.56%

25.03.2015: The Department explained that saving had occurred because several posts were lying vacant and funds against the sub-head A09 lapsed due to adoption of strict economy measures.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

- (iii) 01 General Public Service
011 Executive & Legislative Organs, Finance
0111 Executive & Legislative Organs
011111 Divisional Administration
LQ4519 Circuit House of Various divisional Headquarters

Final Grant		Rs.30,165,000/-
Actual Expenditure		Rs.25,230,940/-
Saving	(-)	Rs. 4,934,060/-
Percentage		16.36%

25.03.2015: The Department explained that saving had occurred because several posts were lying vacant and lesser expenditure was incurred on account of utilities.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

- (iv) 01 General Public Service
011 Executive & Legislative Organs, Financial
0111 Executive & Legislative Organs

011105 District Administration

LQ4583 District Administration

Final Grant		Rs.421,216,000/-
Actual Expenditure		Rs.356,036,748/-
Saving	(-)	Rs. 65,179,252/-
Percentage		15.47%

25.03.2015: The Department explained that saving had occurred because several posts were lying vacant and there was ban on purchase of Machinery & Equipment besides observation of strict austerity measures.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

- (v) 01 General Public Service
- 011 Executive & Legislative Organs, Financial
- 0111 Executive & Legislative Organs
- 011105 District Administration

LQ4584 Sub Divisional Administration

Final Grant		Rs.1,205,613,000/-
Actual Expenditure		Rs.1,172,019,878/-
Saving	(-)	Rs. 33,593,122/-
Percentage		2.79%

25.03.2015: The Department explained that saving had occurred because several posts were lying vacant while excess expenditure against the sub-head A011-2 was incurred on account of Pay & Allowances due to improper assessments of field formations.

The Committee directed/recommended that excess expenditure should be got regularized by the Finance Department.

The item was kept pending.

- (vi) 01 General Public Service
- 011 Executive & Legislative Organs, Financial
- 0111 Executive & Legislative Organs
- 011105 District Administration

LQ4586 Additional Collector

Final Grant		Rs.586,569,000/-
Actual Expenditure		Rs.566,307,917/-
Saving	(-)	Rs. 20,261,083/-
Percentage		3.45%

25.03.2015: The Committee observed that there was huge fluctuation against various sub-heads and expenditure against those was quite disproportionate for which proper explanation had not been tendered in working papers.

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The Committee directed/recommended that an inquiry be conducted by the PAO to thrash out the matter under intimation to the PAC and excess expenditure be got regularized by the Finance Department.

The **item was kept pending**.

- (vii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Custom, Income tax, Excise) & Taxation Department

LQ4768 Member Colonies

Final Grant		Rs.26,067,000/-
Actual Expenditure		Rs. 6,028,746/-
Saving	(-)	Rs.20,038,254/-
Percentage		76.87%

25.03.2015: The Department explained that saving had occurred because funds for media campaign of Five Marla and Jinnah Abadi Schemes were released by the Finance Department against the wrong head of account due to which the same could not be utilized.

The **item was conditionally settled** subject to verification of departmental contention by the Finance Department/Accountant General Office.

6. Grant No. PC21027 (027) Relief (All Voted) Pages 601 & 602 of Appropriation Accounts for the year 2011-12

- 10 Social Protection
107 Administration
1071 Administration
107101 Relief Measures

LQ4277 Relief Measures

Final Grant		Rs.1,992,725,000/-
Actual Expenditure		Rs.1,869,229,016/-
Saving	(-)	Rs. 123,495,984/-
Percentage		6.20%

25.03.2015: The Department explained that saving had occurred because sufficient funds had to be retained to cater for unforeseen expenditure on relief & rescue operations. However, excess expenditure on account of Pay & Allowances was inevitable.

The item was kept pending with the direction/recommendations that an inquiry be conducted to thrash out the fluctuation against various sub-heads and excess expenditure be got regularized by the Finance Department.

The **item was kept pending**.

7. Grant No. PC21029 (029) Stationery and Printing (All Voted) Page 634 of Appropriation Accounts for the year 2011-12

01	General Public Service
015	General Services
0154	Other General Services
015403	Centralized Printing & Publishing
LQ4281	Purchase of Plain Paper used with Stamps

Final Grant		Rs.6,004,000/-
Actual Expenditure		Rs.5,114,303/-
Saving	(-)	Rs. 889,697/-
Percentage		14.82%

25.03.2015: The Department explained that saving had occurred due to late release of funds by the Finance Department.

The explanation of the Department was accepted and the **item was settled**.

8. Grant No. PC21031 (031) Miscellaneous (All Voted) Pages 140, 541 & 635 to 637 of Appropriation Accounts for the year 2011-12

(i)	06	Housing and Community Amenities
	062	Community Development
	0622	Rural Development
	062202	Rural Works Programme
	LQ4291	Directorate of Katchi Abadies

Final Grant		Rs.27,890,000/-
Actual Expenditure		Rs.26,751,487/-
Saving	(-)	Rs. 1,138,513/-
Percentage		4.08%

25.03.2015: The Department explained that minor saving against the sub-heads of Pay & Allowances had occurred due to transfer of certain officers besides death of an Assistant Director.

The explanation of the Department was accepted and the **item was settled**.

(ii)	10	Social Protection
	107	Administration
	1071	Administration
	107102	Rehabilitation and Resettlement
	LQ4297	Settlement & Rehabilitation Organization

Final Grant		Rs.19,944,000/-
Actual Expenditure		Rs.23,632,882/-
Excess	(+)	Rs. 3,688,882/-
Percentage		18.50%

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- (iii) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others

LQ4298 Implementation of Jinnah Abadies

Final Grant		Rs.3,960,000/-
Actual Expenditure		Rs.4,872,878/-
Excess	(+)	Rs. 912,878/-
Percentage		23.05%

25.03.2015: The Department explained that excess expenditure had been incurred on account Pay & Allowances due to receipt of lesser funds from the Finance Department as compared to the demands of the Department.

The **items were kept pending** with the directions/recommendations that excess expenditure should be got regularized by the Finance Department.

- (iv) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others

LQ4431 Punjab Privatization Board

Final Grant		Rs.16,878,000/-
Actual Expenditure		Rs.15,727,568/-
Saving	(-)	Rs. 1,150,432/-
Percentage		6.82%

25.03.2015: The Department explained that saving had occurred because several posts were lying vacant.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

9. Grant No. PC22036 (036) Development: (All Voted) Page 637 of Appropriation Accounts for the year 2011-12

- 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I.Tax & Excise)

LE4295 Tax Management

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Final Grant		Rs.128,840,000/-
Actual Expenditure		Rs. 30,641,751/-
Saving	(-)	Rs. 98,198,249/-
Percentage		76.22%

25.03.2015: The Department explained that excess expenditure against the sub-head A011-2 had been depicted due to mis-classification. As per factual position, there was no excess expenditure while saving against the sub-head A05 did not pertain to Government of Punjab as the funds related to IDA (WB).

The **item was kept pending** till the submission of report by the Special Committee which had been appointed on the recommendations of PAC to examine the matters regarding foreign aided projects.

AUDIT PARAS (REVENUE RECEIPTS) FOR THE YEAR 2011-12

1. Para No.2.4.1 Pages 34 & 35 of Audit Report for the year 2011-12; Non production of mutation record for audit

- (1) PDP No. 14778 Tehsildar, Rawalpindi
- (2) PDP No. 14781 Tehsildar, Sheikhpura
- (5) PDP No. 14782 Tehsildar, Sharqpur
- (6) PDP No. 14923 Sub Registrar, Aziz Bhatti Town, Lahore

25.03.2015: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled** with the directions that warnings be issued to the incumbents responsible for non-production of record.

- (3) PDP No. 14850 Tehsildar, Nankana
- (4) PDP No. 14851 Tehsildar, Faisalabad
- (7) PDP No. 14925 Tehsildar, T.T. Singh

25.03.2015: The Department explained that all the relevant record was available for verification which could be verified by Audit.

The Committee expressed its displeasure on non-production of record to Audit since long and desired that warnings be issued to the responsible officers/officials. It was further directed/recommended that complete record should be got verified by Audit within 15 days.

The **paras were conditionally settled** subject to above directions.

2. Para No.2.4.2 Pages 35, 36 & 106 of Audit Report for the year 2011-12; Non/short-recovery of arrears of Abiana – Rs. 279.416 million

- (1) PDP No. 14311 Tehsildar, Ferozwala – Rs. 2,677,403/-
- (2) PDP No. 14365 Tehsildar, Lodhran – Rs. 622,636/-
- (4) PDP No. 14491 Tehsildar, Muzafar Garh – Rs. 632,188/-
- (5) PDP No. 14502 Tehsildar, Kehrora Pacca – Rs. 584,679/-
- (7) PDP No. 14577 Tehsildar, Chunia – Rs. 99,604/-
- (12) PDP No. 14650 Tehsildar, Khanewal – Rs. 1,374,412/-
- (18) PDP No. 14795 Tehsildar, Pattoki – Rs. 133,812/-
- (19) PDP No. 14802 Tehsildar, Sahiwal – Rs. 1,368,814/-
- (24) PDP No. 14846 Tehsildar, Wazirabad – Rs. 355,765/-

25.03.2015: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled**.

- (3) PDP No. 14385 Tehsildar, City, Lahore – Rs.4,110,442/-

- (8) PDP No. 14587 Tehsildar, Kasur – Rs. 9,289,648/-
(11) PDP No. 14641 Tehsildar, Sharqpur – Rs. 23,829,010/-
(17) PDP No. 14738 Tehsildar, Muridke – Rs. 1,392,043/-

25.03.2015: The Department explained that matter contained in above paras was under consideration of a Special Committee which had been appointed to review all such cases and further action would be taken as per recommendations of the said Committee.

The **above paras were kept pending** with the directions/recommendations that matter should be expedited under intimation to the PAC.

- (6) PDP No. 14522 Tehsildar, Khan pur – Rs. 1,668,137/-
(14) PDP No. 14673 Tehsildar, Sadiqabad – Rs. 2,458,458/-
(15) PDP No. 14684 Tehsildar, Liaqat Pur – Rs. 1,133,819/-
(20) PDP No. 14808 Tehsildar, Depalpur – Rs. 1,163,466/-

25.03.2015: The Department explained that partial recovery had been effected while hectic efforts were being made for balance recovery.

The **paras were kept pending** with the directions/recommendations that complete recovery should be effected within 30 days.

- (9) PDP No. 14622 Tehsildar, Nankana – Rs. 185,203,106/-

25.03.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The Committee appreciated the efforts of the concerned officer and **conditionally settled the para** subject to verification of complete recovery by Audit.

- (10) PDP No. 14632 Tehsildar, Sheikhupura – Rs. 7,556,176/-

25.03.2015: The Department explained that matter regarding recovery involved in the subject para, was subjudice in the civil court.

Being subjudice, **the para was kept pending.**

- (13) PDP No. 14669 Tehsildar, Mandi Bahuddin – Rs. 198,698/-

25.03.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The Committee **settled the para** subject to reconciliation of recoverable amount and verification of complete recovery by Audit.

- (16) PDP No. 14690 Tehsildar, Rahim Yar Khan – Rs. 1,323,865/-
(21) PDP No. 14812 Tehsildar, Renala Khurd – Rs. 1,242,886/-
(27) PDP No. 14896 Tehsildar, T.T. Singh – Rs. 2,401,301/-

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25.03.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The Committee **settled the above paras** subject to verification of complete recovery by Audit.

(22) PDP No. 14841 Tehsildar, Kamoke – Rs. 1,081,147/-

(23) PDP No. 14843 Tehsildar, Saddar Gujranwala – Rs. 546,078/-

25.03.2015: The Department explained that partial recovery had been effected while balance recovery was not justified as per report of the Special Committee appointed to review such cases.

The **paras were conditionally settled** subject to verification of relevant record/report of Special Committee by the concerned Authority.

(25) PDP No. 14858 Tehsildar, Burewala – Rs. 26,019,738/-

25.03.2015: The Department explained that actual recoverable amount was Rs.11,065,324/- instead of Rs.26,019,738/- and the same had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to reconciliation of recoverable amount and verification of relevant record by Audit.

(26) PDP No. 14862 Tehsildar, Vehari – Rs. 948,768/-

25.03.2015: The Department explained that partial recovery had been effected while balance amount was outstanding against PAF and efforts were being made to recover the same.

The **para was kept pending** with the directions/recommendations that balance recovery should be pursued vigorously.

**3. Para No.2.4.3 Pages 36, 37 & 107 of Audit Report for the year 2011-12;
Non/short-recovery of arrears of Tawan – Rs. 257.047 million**

(1) PDP No. 14317 Tehsildar, Cantt, Lahore – Rs. 2,156,942/-

(2) PDP No. 14370 Tehsildar, Lodhran – Rs. 5,061,457/-

(3) PDP No. 14492 Tehsildar, Muzafar Garh – Rs.564,223/-

(4) PDP No. 14503 Tehsildar, Kehrora Pacca – Rs. 5,006,468/-

(9) PDP No. 14623 Tehsildar, Nankana – Rs. 94,867,413/-

(16) PDP No. 14736 Tehsildar, Muridke – Rs. 2,125,305/-

(20) PDP No. 14888 Tehsildar, Multan Saddar – Rs. 6,718,799/-

25.03.2015: The Department explained that matter contained in above paras was under consideration of a Special Committee which had been appointed to review all such cases and further action would be taken as per recommendations of the said Committee.

The **above paras were kept pending** with the directions/recommendations that matter should be expedited under intimation to the PAC.

- (5) PDP No. 14525 Tehsildar, Khan pur – Rs. 6,337,354/-
- (6) PDP No. 14604 Tehsildar, Chishtian – Rs. 7,231,277/-
- (7) PDP No. 14609 Tehsildar, Bhawalnagar – Rs. 5,403,659/-
- (8) PDP No. 14617 Tehsildar, Haroonabad – Rs. 5,134,518/-
- (11) PDP No. 14645 Tehsildar, Fort Abbas – Rs. 11,014,520/-
- (14) PDP No. 14686 Tehsildar, Liaqat Pur – Rs. 16,755,211/-
- (15) PDP No. 14692 Tehsildar, Rahim Yar Khan – Rs. 20,281,343/-
- (18) PDP No. 14762 Tehsildar, Sadiqabad – Rs. 4,539,069/-
- (21) PDP No. 14893 Tehsildar, T.T. Singh – Rs. 4,463,692/-

25.03.2015: The Department explained that partial recovery had been effected while matter regarding balance amount was subjudice in the civil courts.

Being subjudice, **the above paras were kept pending**. The Committee further directed/ recommended that either Irrigation Department should itself recover such dues or mechanism be devised in co-ordination with the Irrigation & Power Department to sort out the issues of Tawan. Moreover, a certificate be sought from the Irrigation Department at the time of submission of demand that, no litigation cases were included in the demand.

- (10) PDP No. 14640 Tehsildar, Sharaqpur – Rs. 30,240,604/-

25.03.2015: The Department explained that according to report of the Special Committee, recovery was not justified.

The **para was conditionally settled** subject to verification of requisite report of Special Committee by Audit.

- (12) PDP No. 14648 Tehsildar, Khanewal – Rs. 4,411,550/-

25.03.2015: The Department explained that partial recovery had been effected and efforts were being made to recovery the balance amount.

The para was reduced to the extent of recovery verified by Audit and **the para was kept pending** with the direction/recommendations that balance recovery should be pursued vigorously at higher level.

- (13) PDP No. 14670 Tehsildar, Mandi Bahuddin – Rs. 249,302/-

25.03.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

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The **para was conditionally settled** subject to verification of relevant record by Audit.

(17) PDP No. 14756 Tehsildar, Gujrat – Rs. 54,188/-

(19) PDP No. 14800 Tehsildar, Sahiwal – Rs. 5,024,495/-

25.03.2015: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the paras were settled.**

4. Para No.2.4.4(a) Pages 37, 38 & 108 of Audit Report for the year 2011-12; Loss due to non/short-recovery of Capital Value Tax on transfer of urban immovable properties – Rs. 90.734 million

(1) PDP No. 14247 Sub Registrar, Data Gunj Bux, Lahore – Rs. 568,797/-

(2) PDP No. 14248 Sub Registrar, Data Gunj Bux, Lahore – Rs. 350,850/-

25.03.2015: The Department explained that partial recovery had been effected and hectic efforts were being made for balance recovery.

The Committee directed/recommended that an inquiry be conducted in all such cases to ascertain whether short/non-recovery of CVT was due to malafide reasons and action should be taken against those found responsible for lapse, if any.

The **paras were kept pending.**

(3) PDP No. 14266 Sub Registrar, Samanabad, Lahore – Rs.1,449,954/-

(4) PDP No. 14279 Sub Registrar, Allama Iqbal Town, Lahore – Rs. 654,010/-

(5) PDP No. 14284 Sub Registrar, Nishter Town, Lahore – Rs. 1,110,690/-

(8) PDP No. 14302 Sub Registrar, Ravi Town, Lahore – Rs. 108,354/-

(9) PDP No. 14307 Sub Registrar, Gulberg Town, Lahore – Rs. 5,237,042/-

(10) PDP No. 14388 Sub Registrar, Shalimar Town, Lahore – Rs. 5,179,415/-

25.03.2015: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled** with the directions/recommendations that warnings be issued to the incumbent responsible for non-recovery of outstanding dues prior to Audit observations.

(6) PDP No. 14296 Sub Registrar, Ferozwala – Rs. 1,3224,000/-

25.03.2015: The Department explained that tax rate on agricultural land was zero and as such, Audit objection was not justified.

The **para was kept pending** with the directions/recommendations that matter should be reconciled with Audit.

(7) **PDP No. 14297 Sub Registrar, Ferozwala – Rs. 2,447,277/-**

25.03.2015: The Department explained that CVT was not chargeable because no rights had been transferred through power of attorney in favour of the agent.

The **para was kept pending** with the directions that matter should be reconciled with Audit.

(11) **PDP No. 14391 Sub Registrar, Allama Iqbal Town, Lahore – Rs. 3,896,080/-**

25.03.2015: The Department explained that details regarding Audit observation had not been furnished by Audit.

The **para was kept pending** with the directions that necessary action should be taken within 30 days.

(12) **PDP No. 14484 Sub Registrar, Kasur – Rs. 604,100/-**

25.03.2015: The Department explained that Audit observation was not justified because CVT was not applicable and the same had been wrongly assessed.

The **para was kept pending** for reconciliation/verification of requisite record by Audit.

(13) **PDP No. 14516 Sub Registrar, Rural, Rawalpindi – Rs. 12,000/-**

(17) **PDP No. 14605 Sub Registrar, Bhawalnagar – Rs. 243,320/-**

(19) **PDP No. 14627 Sub Registrar, Jehlum – Rs. 199,635/-**

(20) **PDP No. 14629 Sub Registrar, Sheikhpura – Rs. 771,980/-**

(21) **PDP No. 14631 Sub Registrar, Sheikhpura – Rs. 61,200/-**

(22) **PDP No. 14638 Sub Registrar, Sharqpur – Rs. 1,899,790/-**

(23) **PDP No. 14657 Sub Registrar, Khanewal – Rs. 87,883/-**

(24) **PDP No. 14672 Sub Registrar, Rahim Yar Khan – Rs. 232,720/-**

(26) **PDP No. 14707 Sub Registrar, Sadiqabad – Rs. 80,440/-**

(27) **PDP No. 14710 Sub Registrar, Muzaffar Garh – Rs. 167,860/-**

(28) **PDP No. 14719 Sub Registrar, Wazirabad – Rs. 32,622,856/-**

(29) **PDP No. 14730 Sub Registrar, Urban Gujranwala – Rs. 5,270,547/-**

(30) **PDP No. 14733 Sub Registrar, Muridke – Rs. 72,910/-**

(31) **PDP No. 14748 Sub Registrar, Gujrat – Rs. 1,293,102/-**

(32) **PDP No. 14759 Sub Registrar, Ravi Town Lahore – Rs. 98,770/-**

(33) **PDP No. 14775 Sub Registrar, Liaquatpur – Rs. 138,020/-**

(35) **PDP No. 14844 Sub Registrar, Kamoke – Rs. 5,329,205/-**

(36) **PDP No. 14856 Sub Registrar, Burewala – Rs. 272,400/-**

(37) **PDP No. 14869 Sub Registrar, Vehari – Rs. 353,800/-**

(38) **PDP No. 14899 Sub Registrar, Renala Khurd – Rs. 74,180/-**

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(41) PDP No. 14915 Sub Registrar, Kamalia – Rs. 137,381/-

(42) PDP No. 14916 Sub Registrar, T.T. Singh – Rs. 1,160,011/-

26.03.2015: The Department explained that total outstanding amount had been recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the paras** with the directions/recommendations that warning be issued to the incumbents responsible for non-recovery of outstanding dues before Audit observation. It was further directed that warnings should also be issued to the concerned auditors who had wrongly assessed the outstanding dues.

(14) PDP No. 14564 Sub Registrar, Urban-I, Faisalabad – Rs. 551,904/-

(16) PDP No. 14602 Sub Registrar, Chishtian – Rs. 547,955/-

26.03.2015: The Department explained that partial recovery had been effected while balance amount was not due and the same had been got verified by Audit.

The Committee **settled the above paras** with the directions/recommendations that an inquiry be conducted to fix responsibility for non-recovery of outstanding dues before Audit observation and warnings be issued to the incumbents.

(15) PDP No. 14567 Sub Registrar, Urban-II, Faisalabad – Rs. 472,100/-

26.03.2015: The Department explained that partial recovery had been effected and efforts were being made to reconcile/recover the balance amount.

The **para was kept pending** with the directions/recommendations that balance recovery should be reconciled/effected within 30 days.

(18) PDP No. 14614 Sub Registrar, Haroonabad – Rs. 383,860/-

(25) PDP No. 14675 Sub Registrar, Kehrora Pacca – Rs. 216,755/-

(33) PDP No. 14777 Sub Registrar, Khanpur – Rs. 108,510/-

26.03.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **paras were conditionally settled** subject to verification of complete recovery by Audit.

(39) PDP No. 14900 Sub Registrar, Depalpur – Rs. 1,113,880/-

26.03.2015: The Department explained that total outstanding amount had been recovered while balance amount had been wrongly pointed out by Audit.

The Committee observed that recoverable amount had been wrongly depicted in working papers as compared to the verbal explanation of the concerned officer in the meeting. The Committee expressed its displeasure and directed/recommended that an inquiry be conducted to fix responsibility for huge delay in recovery of outstanding dues and further action be taken as per findings thereon, under intimation to the PAC.

The **para was kept pending**.

(40) PDP No. 14910 Sub Registrar, Multan City – Rs. 1,152,863/-

26.03.2015: The Department explained that an amount of Rs.775,188/- had been recovered and balance amount was not due as the same had been wrongly assessed by Audit.

The Committee expressed its concern on the fact that performance of Audit in case of subject report pertaining to Board of Revenue was very poor and there were large number of cases involving wrong assessment by Audit. The Committee desired that concerned Auditors should be warned to avoid such lapses in future.

The **para was conditionally settled** subject to reconciliation/verification of complete recovery by Audit.

5. Para No.2.4.4(b) Pages 37 & 38 of Audit Report for the year 2011-12; Loss due to non/short recovery of Capital Value Tax on transfer of urban immovable properties – Rs. 90.734 million

PDP No. 14740 Tehsildar, Muridke – Rs. 775,460/-

26.03.2015: The Department explained that total outstanding amount had been recovered/adjusted which could be verified by Audit.

The **para was conditionally settled** subject to verification of total outstanding dues by Audit.

6. Para No.2.4.5 Pages 38 to 40 of Audit Report for the year 2011-12; Non-recovery of government revenue on expiry of stay orders by Civil Courts – Rs. 34.944 million

(1) PDP No. 14371 Tehsildar, Lodhran – Rs. 1,361,222/-

(4) PDP No. 14774 Tehsildar, Rahim Yar Khan – Rs. 3,802,179/-

26.03.2015: The Department explained that the matter regarding recovery was subjudice in the court and stay order had been granted in favour of the petitioner.

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The **paras were kept pending** with the directions/recommendations that relevant record in support of departmental contention should be got verified by Audit and cases be pursued vigorously.

(2) PDP No. 14505 Tehsildar, Kehror Pacca – Rs. 1,186,234/-

26.03.2015: The Department explained that total outstanding dues had been recovered and the same had also been got verified by Audit.

On the recommendations of Audit, the **para was settled**.

(3) PDP No. 14711 Tehsildar, Fort Abbas – Rs. 16,988,969/-

26.03.2015: The Department explained that partial recovery had been effected while recovery of outstanding dues was pending in certain cases because requisite details had not been provided by the Irrigation & Power Department.

The **para was kept pending** with the directions/recommendations that requisite details/record should be provided by the Irrigation & Power Department within 30 days.

(5) PDP No. 14860 Tehsildar, Burewala – Rs. 6,188,904/-

26.03.2015: The Department explained that partial recovery had been effected while some cases were subjudice in the court. Meanwhile, efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that balance recovery should be pursued vigorously.

(6) PDP No. 14861 Tehsildar, Vehari – Rs. 5,416,638/-

26.03.2015: The Department explained that partial recovery had been effected while balance amount would be recovered/adjusted after reconciliation of outstanding dues.

The para was reduce to the extent of recovery and **kept pending for balance recovery**.

7. Para No.2.4.6 Pages 40 & 109 of Audit Report for the year 2011-12; Non-recovery of Agricultural Income Tax – Rs. 27.905 million

- (1) PDP No. 14312 Tehsildar, Ferozwala – Rs. 210,925/-**
- (2) PDP No. 14367 Tehsildar, Lodhran – Rs. 207,250/-**
- (4) PDP No. 14504 Tehsildar, Kehror Pacca – Rs. 89,125/-**
- (6) PDP No. 14561 Tehsildar, Saddar, Faisalabad – Rs. 33,700/-**
- (10) PDP No. 14651 Tehsildar, Khanewal – Rs. 403,950/-**
- (15) PDP No. 14763 Tehsildar, Sadiqabad – Rs. 277,856/-**
- (16) PDP No. 14791 Tehsildar, Pattoki – Rs. 999,136/-**
- (17) PDP No. 14801 Tehsildar, Sahiwal – Rs. 1,482,051/-**

- (20) PDP No. 14842 Tehsildar, Kamoke – Rs. 263,250/-
- (21) PDP No. 14847 Tehsildar, Wazirabad – Rs. 59,119/-
- (22) PDP No. 14864 Tehsildar, Vehari – Rs. 80,088/-
- (25) PDP No. 14903 Tehsildar, Kamalia – Rs. 47,336/-

26.03.2015: The Department explained that total outstanding dues had been recovered and the same had been got verified by Audit.

On the recommendations of Audit, the Committee **settled the above paras** with the directions/recommendations that SOPs be devised for timely recovery of agricultural income tax and incentives be given to the officers showing good performance.

- (3) PDP No. 14493 Tehsildar, Muzafar Garh – Rs. 306,000/-
- (7) PDP No. 14589 Tehsildar, Kasur – Rs. 112,312/-
- (11) PDP No. 14658 Tehsildar, Sharaqpur – Rs. 220,156/-
- (12) PDP No. 14689 Tehsildar, Liaqat Pur – Rs. 182,100/-
- (18) PDP No. 14804 Tehsildar, Depalpur – Rs. 1,282,390/-
- (23) PDP No. 14887 Tehsildar, Multan Saddar – Rs. 414,350/-
- (24) PDP No. 14891 Tehsildar, T.T.Singh – Rs. 312,694/-

26.03.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The **above paras were conditionally settled** subject to verification of requisite record by Audit.

- (5) PDP No. 14524 Tehsildar, Khan Pur – Rs. 1,068,000/-

26.03.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the directions that amount of para be reduced to the extent of recovery verified by Audit and balance recovery should be effected within 30 days.

- (8) PDP No. 14624 Tehsildar, Nankana – Rs. 15,640,372/-

26.03.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the directions that balance recovery should be effected within 60 days.

- (9) PDP No. 14633 Tehsildar, Sheikhupura – Rs. 2,636,046/-

26.03.2015: The Department explained that subject amount was recoverable from the family of Mr. Ijaz Ahmad Bodlah but the same was pending for last 15 years due to stay

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order granted by the High Court. It was added that despite hectic efforts by the Department, the date of hearing in W.P. No.14628/1998 could not be fixed.

The Committee directed/recommended that Advocate General Punjab should be requested to take necessary measures for early hearing of the said writ petition.

The para was kept pending.

(13) PDP No. 14693 Tehsildar, Rahim Yar Khan – Rs. 196,150/-

(14) PDP No. 14741 Tehsildar, Muridke – Rs. 752,146/-

26.03.2015: The Department explained that partial recovery had been effected and assured that total recovery would be effected within 15 days.

The Committee reduced the para to the extent of recovery verified by Audit and desired that total recovery should be effected within stipulated time.

The paras were kept pending.

(19) PDP No. 14815 Tehsildar, Renala Khurd – Rs. 628,102/-

26.03.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery from the Army Remount Depot.

The **para was kept pending** with the directions/recommendations that balance recovery should be pursued vigorously at senior level.

8. Para No.2.4.7 Pages 41 & 42 of Audit Report for the year 2011-12; Non-recovery of Tawan from illicit cultivators of government land – Rs. 26.515 million

(1) PDP No. 14496 Tehsildar, Muzafar Garh – Rs. 365,600/-

26.03.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the directions that amount of para be reduced to the extent of recovery verified by Audit and balance recovery should be effected within 30 days.

(2) PDP No. 14506 Tehsildar, Kehror Pacca – Rs. 160,385/-

26.03.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

(3) PDP No. 14563 Tehsildar, Saddar, Faisalabad – Rs. 6,856,375/-

26.03.2015: The Department explained that as per notification dated 13.1.2010, the recoverable amount of *tawan* was enhanced as lagan and recovery of total enhanced amount had been effected which had been got verified by Audit.

The Committee directed/recommended that aforesaid notification ought to have been applied in all other Districts and recoverable amount should be review accordingly.

The para was kept pending.

- (4) PDP No. 14649 Tehsildar, Khanewal – Rs. 2,279,125/-
- (5) PDP No. 14687 Tehsildar, Liaqat Pur – Rs. 208,826/-
- (6) PDP No. 14796 Tehsildar, Pattoki – Rs. 203,508/-
- (7) PDP No. 14798 Tehsildar, Sahiwal – Rs. 2,036,077/-
- (8) PDP No. 14811 Tehsildar, Depalpur – Rs. 692,629/-
- (9) PDP No. 14813 Tehsildar, Renala Khurd – Rs. 3,099,609/-
- (10) PDP No. 14859 Tehsildar, Burewala – Rs. 2,672,990/-
- (11) PDP No. 14870 Tehsildar, Vehari – Rs. 7,464,563/-
- (12) PDP No. 14895 Tehsildar, T.T. Singh – Rs. 475,500/-

26.03.2015: The Committee directed/recommended that recoverable amount should be reconciled in the light of notification regarding lagan dated 13.1.2010 and thereafter, recovery should be effected accordingly.

The paras were kept pending.

9. Para No.2.4.8 (a) Pages 42 to 44 & 110 of Audit Report for the year 2011-12; Loss of government revenue due to non/short realization of mutation fee – Rs. 20.716 million

- (1) PDP No. 14246 Tehsildar, Sahiwal – Rs. 30,719/-
- (2) PDP No. 14369 Tehsildar, Lodhran – Rs. 389,823/-
- (4) PDP No. 14508 Tehsildar, Khehror Pacca – Rs. 23,232/-
- (5) PDP No. 14591 Tehsildar, Kasur – Rs. 21,600/-
- (7) PDP No. 14608 Tehsildar, Bhawalnagar – Rs. 969,965/-
- (9) PDP No. 14612 Tehsildar, Jehlum – Rs. 21,936/-
- (8) PDP No. 14619 Tehsildar, Haroonabad – Rs. 183,547/-
- (10) PDP No. 14625 Tehsildar, Nankana – Rs. 725,674/-
- (11) PDP No. 14634 Tehsildar, Sheikhupura – Rs. 226,331/-
- (12) PDP No. 14635 Tehsildar, Sheikhupura – Rs. 127,478/-
- (13) PDP No. 14637 Tehsildar, Sheikhupura – Rs. 42,996/-
- (14) PDP No. 14643 Tehsildar, Sharaqpur – Rs. 44,265/-
- (15) PDP No. 14646 Tehsildar, Fort Abbas – Rs. 125,480/-
- (16) PDP No. 14653 Tehsildar, Khanewal – Rs. 118,772/-
- (18) PDP No. 14674 Tehsildar, Sadiqabad – Rs. 11,393/-
- (25) PDP No. 14749 Tehsildar, Gujrat – Rs. 915,242/-
- (26) PDP No. 14752 Tehsildar, Gujrat – Rs. 375,150/-
- (27) PDP No. 14753 Tehsildar, Gujrat – Rs. 324,127/-

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- (28) PDP No. 14755 Tehsildar, Gujrat – Rs. 86,062/-
- (31) PDP No. 14794 Tehsildar, Pattoki – Rs. 172,376/-
- (32) PDP No. 14799 Tehsildar, Sahiwal – Rs. 178,694/-
- (36) PDP No. 14884 Tehsildar, Multan – Rs. 360,547/-
- (37) PDP No. 14885 Tehsildar, Multan Saddar – Rs. 103,450/-
- (38) PDP No. 14890 Tehsildar, T.T. Singh – Rs. 277,675/-
- (40) PDP No. 14904 Tehsildar, Kamalia – Rs. 791,054/-
- (41) PDP No. 14905 Tehsildar, Kamalia – Rs. 193,055/-
- (45) PDP No. 14913 Tehsildar, Kamalia – Rs. 322,209/-
- (46) PDP No. 14921 Tehsildar, Multan Saddar – Rs. 314,470/-
- (47) PDP No. 14924 Tehsildar, Sahiwal – Rs. 58,152/-

26.03.2015: The Department explained that total outstanding amount had been recovered and the same had been got verified by Audit.

The Committee directed/recommended that an inquiry be conducted by the PAO to fix responsibility for non/short realization of mutation fee and action should be taken against the defaulters.

With above directions, **the paras were settled.**

- (3) PDP No. 14495 Tehsildar, Muzafar Garh – Rs. 859,653/-
- (6) PDP No. 14599 Tehsildar, Chishtian – Rs. 7,050/-
- (19) PDP No. 14688 Tehsildar, Liaqat Pur – Rs. 232,324/-
- (20) PDP No. 14694 Tehsildar, Rahim Yar Khan – Rs. 332,996/-
- (21) PDP No. 14737 Tehsildar, Muridke – Rs. 1,928,117/-
- (22) PDP No. 14743 Tehsildar, Muridke – Rs. 303,840/-
- (23) PDP No. 14745 Tehsildar, Muridke – Rs. 259,073/-
- (24) PDP No. 14746 Tehsildar, Muridke – Rs. 135,292/-
- (30) PDP No. 14793 Tehsildar, Pattoki – Rs. 234,389/-
- (33) PDP No. 14807 Tehsildar, Depalpur – Rs. 120,127/-
- (35) PDP No. 14814 Tehsildar, Renala Khurd – Rs. 87,185/-
- (39) PDP No. 14892 Tehsildar, T.T. Singh – Rs. 391,914/-
- (42) PDP No. 14906 Tehsildar, Sahiwal – Rs. 158,048/-
- (43) PDP No. 14907 Tehsildar, Renala Khurd – Rs. 198,946/-

26.03.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The **above paras were conditionally settled** subject to verification of requisite record by Audit.

- (17) PDP No. 14668 Tehsildar, Mandi Bahuddin – Rs. 4,911,075/-

26.03.2015: The Department explained that a sum of Rs.2,877,265/- had been recovered while an amount of Rs.270,800/- had been wrongly assessed. In case of balance amount, it was stated that responsible official had been dismissed from service and was under arrest.

The **para was kept pending** with the directions/recommendations that matter should be pursued vigorously.

(29) PDP No. 14792 Tehsildar, Pattoki – Rs. 587,464/-

26.03.2015: The Department explained that an amount of Rs.455,100/- had been recovered while the remaining amount of Rs.152,389/- was not due as the same had been wrongly assessed.

The para was conditionally settled subject to verification of requisite record by Audit.

(34) PDP No. 14809 Tehsildar, Depalpur – Rs. 1,748,426/-

(44) PDP No. 14908 Tehsildar, Depalpur – Rs. 155,969/-

26.03.2015: The Department explained that partial recovery had been effected while efforts were being made for balance recovery.

The amount of para was reduced to the extent of recovery verified by Audit with the directions that total outstanding amount should be recovered within 30 days.

The paras were kept pending.

10. Para No.2.4.8 (b) Pages 42 to 44 & 112 of Audit Report for the year 2011-12; Loss of government revenue due to non/short realization of mutation fee – Rs. 20.716 million

(1) PDP No. 14281 Sub-Registrar, Allama Iqbal Town, Lahore – Rs. 56,844/-

(2) PDP No. 14300 Sub-Registrar, Ferozwala – Rs. 59,500/-

(3) PDP No. 14566 Sub-Registrar, Urban-1, Faisalabad – Rs. 20,291/-

(4) PDP No. 14569 Sub-Registrar, Urban-1, Faisalabad – Rs. 6,217/-

(5) PDP No. 14607 Sub-Registrar, Bhawalnagar – Rs. 10,609/-

(6) PDP No. 14616 Sub-Registrar, Haroonabad – Rs. 13,287/-

(7) PDP No. 14708 Sub-Registrar, Sadiqabad – Rs. 15,656/-

(8) PDP No. 14709 Sub-Registrar, Rahim Yar Khan – Rs. 22,763/-

(9) PDP No. 14720 Sub-Registrar, Wazirabad – Rs. 39,693/-

(10) PDP No. 14773 Sub-Registrar, Khanpur – Rs. 29,149/-

(11) PDP No. 14845 Sub-Registrar, Kamoke – Rs. 29,400/-

(12) PDP No. 14857 Sub-Registrar, Burewala – Rs. 10,388/-

(13) PDP No. 14901 Sub-Registrar, Depalpur – Rs. 142,713/-

26.03.2015: The Department explained that total outstanding dues had been recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, the above paras were settled.

(14) PDP No. 14912 Sub-Registrar, Multan City – Rs. 72,400/-

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26.03.2015: The Department explained that outstanding dues had been wrongly calculated by Audit.

The para was kept pending for reconciliation/verification of relevant record by Audit.

11. Para No.2.4.9 (a) Pages 44 to 46 & 113 of Audit Report for the year 2011-12; Loss of Stamp Duty, Registration Fee and Capital Value Tax due to under valuation of urban land – Rs. 14.061 million

- (1) PDP No. 14280 Sub-Registrar, Allama Iqbal Town, Lahore – Rs. 77,443/-
- (2) PDP No. 14283 Sub-Registrar, Allama Iqbal Town – Rs. 42,750/-
- (4) PDP No. 14310 Sub-Registrar, Gulberg Town, Lahore – Rs. 46,131/-
- (5) PDP No. 14485 Sub-Registrar, Kasur – Rs. 264,496/-
- (6) PDP No. 14486 Sub-Registrar, Kasur – Rs. 92,310/-
- (7) PDP No. 14487 Sub-Registrar, Kasur – Rs. 44,200/-
- (8) PDP No. 14488 Sub-Registrar, Kasur – Rs. 21,000/-
- (10) PDP No. 14517 Sub-Registrar, Rural, Rawalpindi – Rs. 14,850/-
- (12) PDP No. 14565 Sub-Registrar, Urban-I, Faisalabad – Rs. 26,719/-
- (13) PDP No. 14568 Sub-Registrar, Urban-II, Faisalabad – Rs. 43,633/-
- (14) PDP No. 14601 Sub-Registrar, Chishtian – Rs. 35,959/-
- (15) PDP No. 14606 Sub-Registrar, Bhawalnagar – Rs. 126,627/-
- (17) PDP No. 14630 Sub-Registrar, Sheikhpura – Rs. 239,140/-
- (18) PDP No. 14639 Sub-Registrar, Sharaqpur – Rs. 102,075/-
- (19) PDP No. 14656 Sub-Registrar, Khanewal – Rs. 70,510/-
- (22) PDP No. 14747 Sub-Registrar, Gujrat – Rs. 2,323,441/-
- (23) PDP No. 14760 Sub-Registrar, Ravi Town, Lahore – Rs. 31,725/-
- (25) PDP No. 14914 Sub-Registrar, Kamalia – Rs. 15,492/-
- (26) PDP No. 14917 Sub-Registrar, T.T.Singh – Rs. 192,106/-
- (27) PDP No. 14918 Sub-Registrar, Multan city – Rs. 36,750/-

26.03.2015: The Department explained that total outstanding dues had been recovered/adjusted and relevant record had also been got verified by Audit.

On the recommendations of Audit, the above paras were settled.

- (3) PDP No. 14298 Sub-Registrar, Ferozwala – Rs. 516,378/-
- (16) PDP No. 14618 Sub-Registrar, Haroonabad – Rs. 60,990/-
- (20) PDP No. 14676 Sub-Registrar, Kehrora Pacca – Rs. 23,545/-
- (24) PDP No. 14909 Sub-Registrar, Multan city – Rs. 260,826/-

26.03.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The above paras were conditionally settled subject to verification of requisite record by Audit.

(9) PDP No. 14515 Sub-Registrar, Rural, Rawalpindi – Rs. 5,230,180/-

26.03.2015: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for under-valuation of such a huge amount and further action should be taken against the defaulters under intimation to the PAC.

Subject to above directions, **the para was settled.**

(11) PDP No. 14549 Sub-Registrar, Taxila – Rs. 157,368/-

26.03.2015: The Department explained that total outstanding dues had been recovered while balance amount was not recoverable as the same had wrongly been calculated by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

(21) PDP No. 14734 Sub-Registrar, Muridke – Rs. 526,741/-

26.03.2015: The Department explained that partial recovery had been effected and balance amount would also be recovered at the earliest.

The **para was kept pending** with the directions that total outstanding dues should be recovered within 15 days.

12. Para No.2.4.9 (b) Pages 44 to 46 & 113 of Audit Report for the year 2011-12; Loss of Stamp Duty, Registration Fee and Capital Value Tax due to under valuation of urban land – Rs. 14.061 million

(1) PDP No. 14249 Sub-Registrar, Data Gunj Bux Town – Rs. 240,575/-

(2) PDP No. 14299 Sub-Registrar, Ferozwala – Rs. 64,670/-

(4) PDP No. 14390 Sub-Registrar, Shalimar Town, Lahore – Rs. 122,500/-

(5) PDP No. 14392 Sub-Registrar, Allama Iqbal Town, Lahore – Rs. 979,000/-

(6) PDP No. 14393 Sub-Registrar, Allama Iqbal Town, Lahore – Rs. 57,700/-

(7) PDP No. 14529 Sub-Registrar, Chunian – Rs. 642,131/-

26.03.2015: The Department explained that total outstanding dues had been recovered/adjusted and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above paras were settled.**

(3) PDP No. 14309 Sub-Registrar, Gulberg Town, Lahore – Rs. 1,331,690/-

26.03.2015: The Department explained that partial recovery had been effected/reconciled while balance amount would also be recovered at the earliest.

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The **para was kept pending** with the directions that total outstanding dues should be recovered within 15 days.

13. Para No.2.4.10 Pages 46 & 47 of Audit Report for the year 2011-12; Loss of Government revenue due to non carrying forward of arrears of Abiana – Rs.7.253 million

- (1) PDP No. 14366 Tehsildar, Lodhran – Rs. 125,374/-
(4) PDP No. 14886 Tehsildar, Multan Saddar – Rs. 439,272/-

26.03.2015: The Department explained that total outstanding dues had been recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above paras were settled.**

- (2) PDP No. 14805 Tehsildar, Depal pur – Rs. 1,644,086/-

26.03.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the directions that balance recovery should be expedited within 30 days.

- (3) PDP No. 14817 Tehsildar, Renala Khurd – Rs. 5,044,185/-

26.03.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

14. Para No.2.4.11 Pages 47, 48 & 114 of Audit Report for the year 2011-12; Loss due to non levy of 10% surcharge on late payment of Abiana – Rs.2.460 million

- (1) PDP No. 14314 Tehsildar, Ferozwala – Rs. 178,883/-
(2) PDP No. 14368 Tehsildar, Lodhran – Rs. 71,037/-
(7) PDP No. 14578 Tehsildar, Chunia – Rs. 22,300/-
(9) PDP No. 14610 Tehsildar, Bhawalnagar – Rs. 81,428/-
(10) PDP No. 14615 Tehsildar, Haroonabad – Rs. 171,839/-
(11) PDP No. 14626 Tehsildar, Nankana – Rs. 75,876/-
(13) PDP No. 14652 Tehsildar, Khanewal – Rs. 132,207/-
(18) PDP No. 14797 Tehsildar, Sahiwal – Rs. 103,018/-

- (20) PDP No. 14816 Tehsildar, Renala Khurd – Rs. 88,804/-
- (21) PDP No. 14840 Tehsildar, Kamoke – Rs. 57,037/-
- (22) PDP No. 14863 Tehsildar, Vehari – Rs. 103,914/-
- (23) PDP No. 14889 Tehsildar, Multan – Rs. 75,312/-
- (24) PDP No. 14894 Tehsildar, T.T.Singh – Rs. 52,954/-
- (25) PDP No. 14902 Tehsildar, Kamalia – Rs. 117,823/-

26.03.2015: The Department explained that total outstanding dues had been recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above paras were settled.**

- (3) PDP No. 14386 Tehsildar, City, Lahore – Rs. 67,099/-
- (6) PDP No. 14523 Tehsildar, Khan Pur – Rs. 76,553/-
- (15) PDP No. 14685 Tehsildar, Liaqat Pur – Rs. 136,782/-
- (16) PDP No. 14691 Tehsildar, Rahim Yar Khan – Rs. 68,539/-

26.03.2015: The Department explained that partial recovery had been effected and hectic efforts were being made for balance recovery.

The **above paras were kept pending** with the directions that total outstanding dues should be recovered within 30 days.

- (4) PDP No. 14494 Tehsildar, Muzafar Garh – Rs. 155,113/-

26.03.2015: The Department explained that partial recovery had been effected and balance amount would also be recovered within 45 days.

The **para was kept pending** with the directions that total outstanding dues should be recovered within stipulated time.

- (5) PDP No. 14507 Tehsildar, Kehrora Pacca – Rs. 94,749/-
- (8) PDP No. 14588 Tehsildar, Kasur – Rs. 124,141/-
- (12) PDP No. 14647 Tehsildar, Fort Abbas – Rs. 116,965/-
- (14) PDP No. 14671 Tehsildar, Mandi Bahuddin – Rs. 93,627/-
- (17) PDP No. 14761 Tehsildar, Sadiqabad – Rs. 61,183/-
- (19) PDP No. 14806 Tehsildar, Depalpur – Rs. 133,214/-

26.03.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The **paras were conditionally settled** subject to verification of requisite record by Audit.

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- 15. Para No.2.4.12 Pages 48 & 49 of Audit Report for the year 2011-12; Loss of government revenue of stamp duty and registration fee due to misclassification of sale/gift deed – Rs. 2.148 million**
-

PDP No. 14308 Sub Registrar, Gulberg Town, Lahore

26.03.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The Committee **conditionally settled the para** with the directions/recommendations that PAO should inquire the matter to fix responsibility for the lapse to avoid such lapses in future under intimation to the PAC.

- 16. Para No.2.4.13 Pages 49 & 50 of Audit Report for the year 2011-12; Non recovery of penalty on registration of time barred instruments – Rs. 1.908 million**
-

PDP No. 14267 Sub Registrar, Samanabad, Lahore

26.03.2015: The Department explained that recovery pointed out by Audit was not justified and facts had been got verified by Audit.

On the recommendations of Audit, the **para was settled**.

- 17. Para No.2.4.14 Pages 50 & 51 of Audit Report for the year 2011-12; Loss due to non/short-realization of mutation fee on oral mutation in favour of other than legal heirs – Rs. 1.763 million**
-

(1) PDP No. 14642 Tehsildar, Sharaqpur – Rs. 156,344/-

(3) PDP No. 14750 Tehsildar, Gujrat – Rs. 810,054/-

26.03.2015: The Department explained that necessary action in respect of Audit observation had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above paras were settled**.

(2) PDP No. 14739 Tehsildar, Muridke – Rs. 796,615/-

26.03.2015: The Department explained that total outstanding dues had been recovered and balance recovery was not due which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

- 18. Para No.2.4.15 Pages 51 & 52 of Audit Report for the year 2011-12; Loss of Government revenue due to irregular payment of lambardari fee – Rs. 0.553 million**

- (1) PDP No. 14313 Tehsildar, Ferozwala – Rs. 201,443/-
- (2) PDP No. 14590 Tehsildar, Kasur – Rs. 32,478/-
- (3) PDP No. 14803 Tehsildar, Sahiwal – Rs. 113,797/-
- (5) PDP No. 14818 Tehsildar, Renala Khurd – Rs. 93,932/-

26.03.2015: The Department explained that necessary action in respect of Audit observation had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above paras were settled.**

- (4) PDP No. 14810 Tehsildar, Depalpur – Rs. 111,071/-

26.03.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

- 19. **Para No.2.4.16 Pages 52 & 53 of Audit Report for the year 2011-12; Loss of mutation fee on gift of agricultural land – Rs. 2.609 million**
-

PDP No. 14735 Tehsildar, Murdike

26.03.2015: The Department explained that recovery pointed out by Audit was not due and the facts had been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

- 20. **Para No.2.4.17 Pages 53 & 54 of Audit Report for the year 2011-12; Loss of mutation fee on exchange of agricultural land – Rs. 0.910 million**
-

- (1) PDP No. 14636 Tehsildar, Sheikhpura – Rs. 93,192/-
- (3) PDP No. 14751 Tehsildar, Gujrat – Rs. 523,962/-

26.03.2015: The Department explained that total outstanding amount had been recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the paras were settled.**

- (2) PDP No. 14744 Tehsildar, Murdike – Rs.292,700/-

26.03.2015: The Department explained that as per factual position, no recovery was outstanding and facts could be verified by Audit.

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The **para was conditionally settled** subject to verification of relevant record by Audit.

21. Para No.2.4.18 Pages 54 & 55 of Audit Report for the year 2011-12; Loss due to non-payment of mutation fee on oral sale of land – Rs. 0.998 million

(1) PDP No. 14613 Tehsildar, Jehlum – Rs. 65,238/-

(3) PDP No. 14754 Tehsildar, Gujrat – Rs. 239,620/-

26.03.2015: The Department explained that total outstanding amount had been recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **paras were settled**.

(2) PDP No. 14742 Tehsildar, Murdike – Rs. 693,613/-

26.03.2015: The Department explained that outstanding amount had been recovered and balance recovery was not due.

The **para was conditionally settled** subject to verification of relevant record by Audit.

22. Para No.2.4.19 Pages 55 & 56 of Audit Report for the year 2011-12; Loss of Government revenue due to misclassification of Industrial land – Rs. 0.924 million

PDP No. 14628 Sub Registrar, Sheikhpura

26.03.2015: The Department explained that recovery pointed out by Audit was not due and the facts had been got verified by Audit.

On the recommendations of Audit, the **above para was settled**.

COMMUNICATION & WORKS

Communication & Works Department

The Committee examined the Accounts and Audit Paras of the Communication & Works Department in its meetings held on 17.11.2014, 18.11.2014, 19.11.2014, 28.09.2015 & 29.09.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Page 51 of Appropriation Accounts for the year 2011-12

04	Economic Affairs
042	Agri, Food, Irrigation, Forestry & Fishing
0426	Food
042601	Administration
LQ4071	<u>Communication & Works Department</u>

Final Grant	Rs.73,150,000/-
Actual Expenditure	Rs.72,883,456/-
Saving	(-) Rs. 266,544/-
Percentage	0.36%

17.11.2014: The Department explained that there was minor saving against various sub-heads while excess expenditure against the sub-head A011-1 and A011-2 had been incurred due to posting of senior officers in place of juniors during last quarter of financial year.

The Committee directed/recommended that an inquiry should be conducted to thrash out the matter and then expenditure be got regularized by the Finance Department within 60 days.

The item was conditionally settled subject to above directions.

28.09.2015: The Department explained that as per previous directions of PAC, case for seeking condonation had already been moved to the Finance Department whereas inquiry proceedings were also under process to fix responsibility for the lapse.

The **item was kept pending** with the directions/recommendations that inquiry proceedings should be finalized within 15 days under intimation to the PAC.

2. Grant No. PC21024/PC24024 (024) Civil Works Pages 52 to 58 of Appropriation Accounts for the year 2011-12

(i)	04	Economic Affairs
	045	Construction & Transport
	0457	Construction (Works)
	045701	Administration
	LQ4351	<u>Chief Engineers</u>

Final Grant		Rs.54,612,000/-
Actual Expenditure		Rs.54,512,147/-
Saving	(-)	Rs. 99,853/-
Percentage		0.18%

- (ii) 04 Economic Affairs
045 Construction & Transport
0457 Construction (Works)
045701 Administration
LQ4352 Director Planning & Design

Final Grant		Rs.17,405,000/-
Actual Expenditure		Rs.16,718,710/-
Saving	(-)	Rs. 686,290/-
Percentage		3.94%

- (iii) 04 Economic Affairs
045 Construction & Transport
0457 Construction (Works)
045701 Administration
LQ4354 Superintending Engineers

Final Grant		Rs.92,923,000/-
Actual Expenditure		Rs.92,118,958/-
Saving	(-)	Rs. 804,042/-
Percentage		0.87%

17.11.2014: The Department explained that saving had occurred because certain posts were lying vacant and lesser expenditure was incurred on account of utilities. However, excess expenditure against the sub-head A011-2 was due to payment of arrears to some officials during the last quarter of the financial year.

The Committee directed/recommended that an inquiry should be conducted to fix responsibility for excess expenditure and the matter be got condoned from the Finance Department.

Subject to above directions, the above items were conditionally settled.

28.09.2015: The Department explained that as per previous directions of PAC, cases for seeking condonation had been moved to the Finance Department whereas inquiry proceedings were also under process to fix responsibility for the lapse.

The **items were kept pending** with the directions/recommendations that inquiry proceedings should be finalized within 15 days under intimation to the PAC.

- (iv) 04 Economic Affairs

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045 Construction & Transport
0457 Construction (Works)
045702 Building and Structures

LQ4249 Executive Engineers

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.860,002,000/-	Rs.858,753,000/-
Actual Expenditure	Rs.859,002,412/-	Rs.857,955,563/-
Saving (-)	Rs. 999,588/-	Rs. 797,437/-
Percentage	0.12%	0.12%

17.11.2014: The Department explained that excess expenditure against the sub-heads A011-1, A011-2 and A012-2 was due to encashment of leave salary by the retired officials and excess expenditure against the sub-head A13 was due to the reason that allocated funds were reduced by the Finance Department in final modified grant while the expenditure had already been incurred. It was added that saving against other sub-heads was due to lesser expenditure on account of utilities and various claims of employees.

The Committee directed/recommended that an inquiry should be conducted to fix responsibility for huge fluctuations against various sub-heads and excess expenditure be got regularized from the Finance Department.

The item was kept pending.

28.09.2015: The Department explained that as per previous directions of PAC, cases for seeking condonation had been moved to the Finance Department whereas inquiry proceedings were also under process to fix responsibility for the lapse.

The **item was kept pending** with the directions/recommendations that inquiry proceedings should be finalized within 15 days under intimation to the PAC.

(v) 04 Economic Affairs
045 Construction & Transport
0457 Construction (Works)
045720 Others

LQ4395 Director Building Research Station Lahore

Final Grant	Rs.32,774,000/-
Actual Expenditure	Rs.32,616,574/-
Saving (-)	Rs. 157,426/-
Percentage	0.48%

17.11.2014: The Department explained that minor saving against various sub-heads had occurred due to some vacant posts while excess expenditure against the sub-head A011-2 had been incurred due to payment of arrears on account of pay to some employees during the last quarter of financial year.

The Committee directed/recommended that an inquiry should be conducted by the Administrative and Finance Departments jointly, to fix responsibility for excess expenditure and matter be got condoned by the Finance Department.

The item was conditionally settled subject to above directions.

28.09.2015: The Department explained that as per previous directions of PAC, cases for seeking condonation had been moved to the Finance Department whereas inquiry proceedings were also under process to fix responsibility for the lapse.

The **item was kept pending** with the directions/recommendations that inquiry proceedings should be finalized within 15 days under intimation to the PAC.

- (vi) 04 Economic Affairs
045 Construction & Transport
0457 Construction (Works)
045720 Others
LQ4258 Chief Architect

Final Grant		Rs.136,193,000/-
Actual Expenditure		Rs.133,664,466/-
Saving	(-)	Rs. 2,528,534/-
Percentage		1.86%

17.11.2014: The Department explained that there was minor saving against various sub-heads while saving against sub-head AO3 was due to less consumption of utilities.

The **item was settled** with the directions that proper explanation against each sub-head should be furnished in working papers.

- (vii) 04 Economic Affairs
045 Construction & Transport
0457 Construction (Works)
045702 Buildings and Structures
LQ4250 Maintenance and Repairs (Charged)

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.74,000,000/-	Rs.74,000,000/-
Actual Expenditure	Rs.73,973,294/-	Rs.73,838,946/-
Saving	(-) Rs. 26,706/-	Rs. 161,054/-
Percentage	0.04%	0.21%

17.11.2014: The Department explained that accounts had been reconciled and there was saving of Rs.161,054/- which was 0.21% of the final grant.

Saving being nominal, the **item was settled**.

- (viii) 04 Economic Affairs

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045 Construction & Transport
0457 Construction (Works)
045702 Buildings and Structures
LQ4251 Maintenance and Repairs (Voted)

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.621,871,000/-	Rs.621,871,000/-
Actual Expenditure	Rs.611,718,556/-	Rs.613,029,788/-
Saving (-)	Rs. 10,152,444/-	Rs. 8,841,212/-
Percentage	1.63%	1.42%

17.11.2014: The Department explained that there was saving of Rs.8,841,212/- which was 1.42% of the final grant.

The item was settled with the directions that proper explanation for saving should be rendered in working papers.

(ix) 04 Economic Affairs
045 Construction & Transport
0457 Construction (Works)
045702 Buildings and Structures
LQ4256 Tools & Plants

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,265,000/-	Rs.1,265,000/-
Actual Expenditure	<i>Nil</i>	Rs.1,458,886/-
Excess/Saving (-)	Rs.1,265,000/-	(+) Rs. 193,886/-
Percentage	100.00%	15.33%

17.11.2014: The Committee observed that reconciliation of accounts/budget figures was required in case of above items.

The above item was kept pending for reconciliation of accounts with concerned quarters within 30 days.

28.09.2015: The Director General Accounts Works stated that accounts had been reconciled and there was excess expenditure of Rs.193,886/- which came to 15.33% of the final grant.

The Department explained that expenditure was incurred against the allocated funds but later more than proposed amount was withdrawn by the Finance Department in 2nd statement of Excess & Surrender.

The Committee directed/recommended that an inquiry be conducted to thrash out the facts and fix responsibility for lapse, if any. Subsequently, the expenditure be got regularized by the Finance Department.

The item was kept pending.

3. Grant No. PC21025 (025) Communications Pages 59 to 69 of Appropriation Accounts for the year 2011-12

- (i) 04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045202 Highways, Roads and Bridges
LQ4264 Maintenance & Repairs

Final Grant		Rs.1,981,566,000/-
Actual Expenditure		Rs.1,919,756,930/-
Saving	(-)	Rs. 61,809,070/-
Percentage		3.12%

- (ii) 04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045202 Highways, Roads and Bridges
LQ4265 Tools & Plants

Final Grant		Rs.12,000,000/-
Actual Expenditure		Rs. 299,910/-
Saving	(-)	Rs.11,700,090/-
Percentage		97.50%

17.11.2014: The Committee observed that reconciliation of accounts/budget figures was required in case of above items.

The above items were kept pending for reconciliation of accounts with concerned quarters within 30 days.

28.09.2015: The Committee observed that accounts had not been reconciled despite directions/recommendations of PAC given in its last meeting.

The **above items were kept pending** with the directions/recommendations that a Joint Committee of the Administrative Department, Finance and Audit should examine/reconcile the accounts and submit report to the PAC within 15 days.

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- (iii) 04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045202 Highways, Roads & Bridges
LQ4263 Executive Engineers

Final Grant		Rs.1,087,087,000/-
Actual Expenditure		Rs.1,087,456,492/-
Excess	(+)	Rs. 369,492/-
Percentage		0.03%

17.11.2014: The Committee observed that reconciliation of accounts/budget figures was required in case of above items.

The **above item was kept pending** for reconciliation of accounts with concerned quarters within 30 days.

- (iv) 04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045201 Highways, Roads & Bridges
LW4001 Chief Engineers

Final Grant		Rs.107,281,000/-
Actual Expenditure		Rs. 95,605,022/-
Saving	(-)	Rs. 11,675,978/-
Percentage		10.88%

17.11.2014: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A011-1 had occurred due to payment of arrears on account of pay.

The Committee expressed its displeasure that no explanation had been tendered against various sub-heads and directed that proper explanation for saving/excess should be furnished against each sub-head. The Committee further directed/recommended that an inquiry be conducted as to why the arrears were paid during last quarter of financial year and report be submitted to the PAC.

The **item was conditionally settled** subject to condonation of the excess expenditure by the Finance Department.

- (v) 04 Economic Affairs

045 Construction & Transport
0452 Road Transport
045201 Administration
LW4002 Superintending Engineers

Final Grant		Rs.97,442,000/-
Actual Expenditure		Rs.90,697,319/-
Saving	(-)	Rs. 6,744,681/-
Percentage		6.92%

17.11.2014: The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowances because several posts were lying vacant and lesser expenditure was incurred on account of utilities.

On query of the Committee regarding 2nd statement of Excesses & Surrenders, the Department failed to furnish the requisite details/record.

The Committee expressed its displeasure on casual attitude of the Department towards PAC business and directed/recommended that an inquiry should be conducted to fix responsibility for huge saving and warnings be issued to the responsible officers/officials.

Subject to above directions, the **item was settled.**

(vi) 04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045202 Highways, Roads & Bridges
LQ5298 Director Planning & Design

Final Grant		Rs.42,984,000/-
Actual Expenditure		Rs.42,680,368/-
Saving	(-)	Rs. 303,632/-
Percentage		0.71%

17.11.2014: The Department explained that saving against various heads was within permissible limits while excess expenditure against the sub-head A011-1 was due to adjustment of some officers against vacant posts.

The Committee reiterated its direction that proper explanation for saving against each sub-head should be furnished in working papers. It was further directed/recommended that an inquiry be conducted to thrash out the matter and then excess expenditure be got condoned by the Finance Department.

Subject to above directions, **the item was settled.**

(vii) 04 Economic Affairs

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- 045 Construction & Transport
- 0452 Road Transport
- 045220 Others

LW4003 Directorate of Bridges

Final Grant		Rs.15,004,000/-
Actual Expenditure		Rs.14,865,501/-
Saving	(-)	Rs. 138,499/-
Percentage		0.92%

17.11.2014: The Department explained that bulk of the allocated funds had been utilized; however there was minor saving against various sub-heads.

The Committee **settled the item.**

- (viii) 04 Economic Affairs
- 045 Construction & Transport
- 0452 Road Transport
- 045220 Others

LW4004 Land Acquisition and Construction Affairs

Final Grant		Rs.52,029,000/-
Actual Expenditure		Rs.50,305,813/-
Saving	(-)	Rs. 1,723,187/-
Percentage		3.31%

17.11.2014: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A03 was incurred on account of utilities which could not be estimated properly.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

- (ix) 04 Economic Affairs
- 045 Construction & Transport
- 0452 Road Transport
- 045220 Others

LW4005 Superintending Engineers

Final Grant		Rs.11,896,000/-
Actual Expenditure		Rs.11,057,921/-
Saving	(-)	Rs. 838,079/-
Percentage		7.05%

17.11.2014: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against various sub-heads was due to payment of arrears on account of pay and additional expenditure on account of utilities.

The Committee directed/recommended that an inquiry should be conducted to thrash out the huge fluctuation in various sub-heads and excess expenditure be got condoned by the Finance Department.

The **item was kept pending.**

- (x) 04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045220 Others

LW4006 Road Research & Material Testing

Final Grant		Rs.29,769,000/-
Actual Expenditure		Rs.29,405,749/-
Saving	(-)	Rs. 363,251/-
Percentage		1.22%

17.11.2014: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A011-2 was due to payment of arrears on account of pay.

The Committee directed/recommended that an inquiry should be conducted to thrash out the matter and then excess expenditure be got condoned by the Finance Department.

Subject to above directions, the **item was conditionally settled.**

- (xi) 04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045220 Others

LW4007 Sub Project Management Unit

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.7,072,000/-	Rs.7,072,000/-
Actual Expenditure	Rs.6,557,829/-	Rs.6,557,829/-
Saving	(-) Rs. 514,171/-	Rs. 506,171/-
Percentage	7.27%	7.16%

17.11.2014: The representative of AG Punjab informed that accounts had been reconciled and there was saving of Rs. 506,171/- which was 7.16% of the final grant.

The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-heads A011-1 and A011-2, had occurred due to adjustment of Pay & Allowances of some officers.

The Committee directed/recommended that an inquiry should be conducted to thrash out the matter and then excess expenditure be got condoned by the Finance Department.

Subject to above directions, the **item was conditionally settled.**

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4. Grant No. PC22036 (036) Development (All Voted) Pages 71 & 72 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045202 Highways, Roads and Bridges
LE4205 Highways, Roads & Bridges

Final Grant		Rs. 6,230,000/-
Actual Expenditure		Rs.112,713,697/-
Excess	(+)	Rs.106,483,697/-
Percentage		1709.21%

17.11.2014: The Committee observed that reconciliation of accounts/budget figures was required in case of above items.

The above item was kept pending for reconciliation of accounts with concerned quarters within 30 days.

28.09.2015: The representative of Accountant General Punjab stated that reconciliation of budget figures was required with Finance Department in case of above item.

The **item was conditionally settled** subject to reconciliation/regularization of excess expenditure by the Finance Department.

5. Grant No. PC12041 (041) Roads and Bridges (All Voted) Pages 73 & 74 of Appropriation Accounts for the year 2011-12

(i) 04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045202 Highways, Roads and Bridges
LE4201 Highways, Roads and Bridges

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.21,409,727,000/-	Rs.21,106,727,000/-
Actual Expenditure	Rs.19,428,443,552/-	Rs.25,775,159,660/-
Saving	(-) Rs. 1,981,283,448/-	Rs. 4,368,432,660/-
Percentage	9.25%	20.41%

(ii) 04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045202 Highways, Roads and Bridges
LE4202 Highways, Roads and Bridges

	<u>AG Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.6,703,452,000/-		Rs. 6,706,452,000/-
Actual Expenditure	Rs.6,273,084,843/-		Rs.10,712,287,694/-
Excess/Saving	(-) Rs. 430,367,157/-	(+)	Rs. 4,005,835,694/-
Percentage	6.42%		59.73%

- (iii) 04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045202 Highways, Roads and Bridges
LE4393 Roads (Urban Development)

	<u>AG Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.9,597,478,000/-		Rs.9,597,478,000/-
Actual Expenditure	Rs.9,494,879,518/-		Rs. 397,474,476/-
Saving	(-) Rs. 102,598,482/-		Rs. 9,200,003,524/-
Percentage	1.07%		95.86%

17.11.2014: The Committee observed that reconciliation of accounts/budget figures was required in case of above items.

The **above items were kept pending** for reconciliation of accounts with concerned quarters within 30 days.

28.09.2015: The Committee observed that accounts had not been reconciled despite directions/recommendations of PAC given in its last meeting.

The **above items were kept pending** with the directions/recommendations that a Joint Committee of the Administrative Department, Finance and Audit should examine/reconcile the accounts and submit report to the PAC within 15 days.

6. Grant No. PC12042 (042) Government Buildings (All Voted) Page 75 of Appropriation Accounts for the year 2011-12

- 04 Economic Affairs
045 Construction & Transport
0457 Construction (Works)
045702 Buildings & Structures
LE4203 Buildings & Structures

	<u>AG Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.13,946,299,000/-		Rs.13,946,299,000/-
Actual Expenditure	Rs.12,587,176,371/-		Rs.12,594,803,647/-
Saving	(-) Rs. 1,359,122,629/-		Rs. 1,351,495,353/-
Percentage	9.75%		9.69%

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17.11.2014: The Committee observed that reconciliation of accounts/budget figures was required in case of above items.

The above item was kept pending for reconciliation of accounts with concerned quarters within 30 days.

28.09.2015: The Department explained that certain schemes were completed in saving while in case of some schemes, funds were withdrawn by the Finance Department due to which the schemes depicted excess expenditure.

The Committee directed/recommended that approval of competent forum in respect of schemes, involving excess expenditure, should be got verified by Audit.

Subject to above directions/recommendations, the **item was settled.**

AUDIT PARAS (WORKS) FOR THE YEAR 2011-12

1. Para No.2.4.1 Pages 13 to 18 of Audit Report for the year 2011-12, Loss due to execution of defective/damaged work – Rs.1096.026 million

(i) 2.4.1.1 DP No. 442

19.11.2014: The Department explained that in the light of evaluation report of the scheme prepared by the Road Research & Material Testing Institute Lahore, the concerned officers/officials were placed under suspension from 27.09.2008 and enquiry was initiated against them and penalties were also imposed. Furthermore, the contractor had rectified the defective work on his own cost and the road was in satisfactory condition. However, the security amounting to Rs.12.527 million of the contractors had not yet been released.

The **para was kept pending** with the directions that outstanding amount should be reconciled with Audit and strict disciplinary action be taken against the responsible officers/officials under intimation to the PAC.

(ii) 2.4.1.1 DP No. 436

19.11.2014: The Department explained that case regarding recovery involved in above paras had been referred to NAB which was still under process.

The **above para was kept pending** with the directions that outstanding amount should be reconciled with Audit and strict disciplinary action be taken against the responsible officers/officials and their names should also be reported to NAB.

(iii) 2.4.1.2 DP No. 147 Executive Engineer, Provincial Road Construction Divisions, Rawalpindi

18.11.2014: The Department explained that a sum of Rs.1,713,900/- had been recovered and further recovery of Rs.12,016,747/- had also been effected in the light of test results of RR& MTI.

Audit contended that certification regarding completion of normal life span was also required from the concerned agency.

The **para was conditionally settled** subject to verification of requisite record by Audit.

(iv) 2.4.1.3 DP No. 421 Executive Engineer, Provincial Highway Divisions, Lahore/Okara

18.11.2014: The Department explained that concerned contractor had been declared defaulter and his security deposit had been forfeited. Thereafter, the revised scheme was got executed through another contractor. However, the matter was under arbitration.

The **para was conditionally settled** subject to decision of the arbitrator and verification of relevant record by Audit.

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(v) **2.4.1.4 DP No. 477 Executive Engineer, Provincial Highway Division, Faisalabad**

28.09.2015: The Department explained that revision of scheme by incorporating the provision of asphalt carpeting was initiated on directions of the Chief Minister which was also approved by the PDWP.

Audit contended that a letter issued by the concerned SDO indicated cracks in the road, thus causing loss to the government due to defective work.

The Committee directed/recommended that matter should be referred to the Technical Wing, Finance Department for seeking advice whether recovery should be imposed on the contractor on account of defective work.

The para was kept pending.

(vi) **2.4.1.5 DP No. 256**

28.09.2015: The Department explained that recovery of 400 million was outstanding in different cases against the contractor involved in the subject Para and the matter was under investigation in NAB. It was added that all properties of the contractor had been attached by the government and his security deposited had also been forfeited. Meanwhile, the responsible officer had been terminated.

The para was conditionally settled subject to verification of requisite record by Audit.

(vii) **2.4.1.6 DP No. 460 Executive Engineer, Provincial Highway Division, Sialkot**

18.11.2014: The Department explained that army authorities did not allow dismantling asphaltic work from the area of median and therefore, scope of work was revised accordingly.

The Committee directed/recommended that Finance Department should examine the matter minutely and submit its report in the next meeting.

The above para was kept pending.

(viii) **2.4.1.7 DP No. 216 Executive Engineer, Provincial Highway Division, Bahawalpur**

19.11.2014: The Department explained that a fact-finding probe was conducted into the matter whereby it was concluded that no overpayment was involved in the matter. It was added that scheme was still under process and final bill would be produced in due course.

The Committee directed/recommended that matter be reconciled with Audit and thereafter, complete recovery should also be got verified.

The para was conditionally settled subject to above directions.

2. Para No.2.4.2 Pages 18 to 24 of Audit Report for the year 2011-12, Non-recovery of loss due to risk and cost charges/security deposit – Rs.435.751 million

- (i) **2.4.2.1 DP No. 8 Executive Engineer, Provincial Highway Division, Lahore**
(ii) **2.4.2.2 DP No. 412 Executive Engineer, Provincial Highway Division, Lahore**

18.11.2014: The Department explained that hectic efforts were being made for recovery of outstanding dues as the cases of the concerned contractors had been referred to NAB.

The **paras were kept pending** with the directions that recovery cases should be pursued vigorously. It was further directed/recommended that departmental inquiry should be held to fix responsibility for non-recovery of outstanding dues and action be taken accordingly against the defaulters including the DAOs.

- (iii) **2.4.2.3 DP No. 258 Executive Engineer, Provincial Highway Division, Gujranwala**

18.11.2014: The Department explained that case of the concerned contractor had been referred to NAB for recovery and disciplinary action against the responsables had also been initiated. Moreover, the concerned Director General had been requested to take action against the DAO.

The **para was kept pending** with the directions/recommendations that a list of all such cases against the DAOs should be furnished to the PAC.

- (iv) **2.4.2.4 DP No. 118 Executive Engineer, Provincial Highway Division, Gujranwala**

18.11.2014: The Department explained that recovery of Rs.57.432 had been effected and balance outstanding amount would also be recovered through supplementary final bill.

The **para was kept pending** with the directions that recoverable amount should be reconciled with Audit and disciplinary action be taken against the persons at fault.

- (v) **2.4.2.5 DP No. 86 Executive Engineer, 5th Provincial Building Division, Lahore**

17.11.2014: The Department explained that work had been rescinded and balance work was to be completed at the risk & cost of original contractor. As such, forfeiture of security was not required. It was added that as per decision of SDAC, an advice had been sought from the Finance Department which endorsed the departmental contention.

The Director (Monitoring) Finance Department stated that some deliberation was required in the matter.

The para was kept pending till 18.11.2014.

On the following day, Audit contended that recovery was still outstanding despite Finance Department's advice.

The **para was kept pending** for reconciliation with Audit and Finance Department.

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(vi) 2.4.2.6 DP No. 464 Executive Engineer, Provincial Highway Division, Sialkot

18.11.2014: The Department explained that actual recovery of Rs.1.22 million had been effected and balance security deposit of the contractor had also been forfeited and credited into the treasury.

The Committee directed/recommended that recoverable amount should be reconciled with Audit.

The **para was conditionally settled** subject to complete recovery and its verification by Audit.

(vii) 2.4.2.7 DP No. 505 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

28.09.2015: The Department explained that partial recovery had been effected from the security deposit of the contractor while case against him was under trial in NAB. It was assured that outstanding dues of the subject para had already been incorporated in reference submitted to the NAB.

The **para was kept pending** with the directions that its amount be reduced to the extent of recovery verified by Audit.

3. Para No.2.4.3 Pages 24 to 31 of Audit Report for the year 2011-12, Undue financial aid due to non-obtaining of performance security – Rs.300.830 million

(i) 2.4.3.1 DP No. 434 & 439 Executive Engineer, Provincial Highway Division, Jhelum

18.11.2014: The Department explained that out of six cases pointed out by Audit, performance security had been obtained from the contractors in five cases while in one case, security could not be recovered but the work had been satisfactorily completed.

The Committee observed that security deposit ought to have recovered at initial stage and directed/recommended that PAO should thrash out the matter and disciplinary action be taken against the defaulters under intimation to the PAC.

The **para was conditionally settled** subject to above directions.

(ii) 2.4.3.2 DP No. 447 Executive Engineer, Provincial Highway Division, Mianwali

19.11.2014: The Department explained that performance security for Group-I of the project had been obtained while performance security for Group II & III had not been obtained.

The Committee directed/recommended that disciplinary action should be taken against those responsible for the lapse, under intimation to the PAC.

The **para was kept pending**.

(iii) **2.4.3.3 DP No. 259 Executive Engineer, Provincial Highway Division, Okara**

18.11.2014: The Department explained that work had been completed except in case of Adda Youngpur which was held up due to stay order granted by the High Court. The Department admitted that performance guarantee had not been obtained.

The Committee directed/recommended that disciplinary action should be taken against the defaulters by the PAO under intimation for the PAC.

The para was kept pending.

(iv) **2.4.3.3 DP No. 259 Executive Engineer, Provincial Highway Division, Okara**

(v) **2.4.3.6 DP No. 13 Executive Engineer, Provincial Highway Division, Lahore**

18.11.2014: The Department explained that performance security had been obtained from the concerned contractors.

Audit contended that security had been obtained in shape of ordinary cheques which were not encashed and thus expired.

The Committee directed/recommended that responsibility should be fixed for the lapse and disciplinary action be taken against the responsible officers as well as the DAO. Moreover, the irregularity be got condoned by the Finance Department.

The paras were conditionally settled subject to above directions.

(vi) **2.4.3.4 DP No. 1 Executive Engineer, Provincial Highway Division, Rahim Yar Khan**

19.11.2014: The Department explained that in a case regarding Group-I had been moved to the Finance Department for condonation while in case of Group-II, a cheque amounting to Rs.23,030,113/- had been obtained from the contractor.

The Committee directed/recommended that disciplinary action should be taken against the officers, responsible for lapse, under intimation to the PAC and condonation cases be referred to the Finance Department.

The para was kept pending.

(vii) **2.4.3.5 DP No. 111 Executive Engineer, Provincial Highway Division, Gujranwala**

18.11.2014: The Department explained that case for recovery of performance guarantee amounting to Rs.16.932 million had been referred to NAB whereas performance security amounting to Rs.3,580,000/- had been deposited into government treasury.

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The **para was kept pending** with the directions/recommendations that disciplinary actions should be taken against all the incumbents.

(viii) **2.4.3.7 DP No. 223 Executive Engineer, Provincial Highway Division, Lahore**

18.11.2014: The Department explained that performance security had been obtained from the contractors and work had also been completed.

The Committee directed/recommended that responsibility should be fixed for the lapse and disciplinary action be taken against the responsible officers as well as the DAO.

Subject to above directions, **the para was conditionally settled.**

(ix) **2.4.3.8 DP No. 88 Executive Engineer, Provincial Highway Division, Rahim Yar Khan**

19.11.2014: The Department explained that a probe was conducted into the matter whereby it was concluded that no loss had been sustained by the government and the work had been completed satisfactorily.

The Committee directed/recommended that disciplinary action should be taken against the officers responsible for non-obtaining of performance security and irregularity be got condoned by the Finance Department.

The **para was kept pending.**

(x) **2.4.3.9 DP No. 463 Executive Engineer, Provincial Highway Division, Sialkot**

18.11.2014: The Department explained that DCO Sialkot had been requested for recovery from the concerned contractor as arrears of land revenue and disciplinary action had also been initiated against the defaulters. It was added that matter for recovery would be referred to NAB at the earliest.

The **para was kept pending** with the directions that case for recovery should be pursued vigorously.

4. Para No.2.4.4 Pages 31 to 36 of Audit Report for the year 2011-12, Undue financial benefit due to imbalanced rates – Rs.231.310 million

(i) **2.4.4.1 DP No. 430 Executive Engineer, Provincial Highway Division, Lahore and Okara**

18.11.2014: The Department explained that according to financial statement prepared on 43rd running bill, the expenditure was within the approved provisions and no un-due financial

benefit had been granted to the contractor. It was added that work had been completed and final bill would be produced to Audit for verification.

The **para was conditionally settled** subject to verification of requisite record by Audit.

- (ii) **2.4.4.2 DP No. 459 Executive Engineer, Provincial Highway Division, Mianwali**
- (iii) **2.4.4.4 DP No. 31 Executive Engineer, Provincial Highway Division, Mianwali**

19.11.2014: The Department explained that case regarding recovery involved in above paras had been referred to NAB which was still under process.

The **above paras were kept pending** with the directions that outstanding amount should be reconciled with Audit and strict disciplinary action be taken against the responsible officers/officials and their names should also be reported to NAB.

- (iv) **2.4.4.3 DP No. 493 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

28.09.2015: The Department explained that payment had been made to the contractor 5.71% below the enhanced agreement which could be verified from the financial statements. However, the scheme was lying unfunded.

Audit contended that excess payments were allowed to the contractor in the running bills. As such, violation of rules was committed which required regularization from the Finance Department.

The Committee directed/recommended that requisite record in support of departmental contention should be produced to Audit for verification and if, any violation of rules was established, the same be got regularized by the Finance Department.

The **para was conditionally settled** subject to above directions/recommendations.

- (v) **2.4.4.5 DP No. 124 Executive Engineer, Provincial Highway Division, Sargodha-II**

19.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The **para was conditionally settled** subject to verification of final bill by Audit with the directions that warning be issued to the responsible officers.

- (vi) **2.4.4.6 DP No. 221 Executive Engineer, Provincial Highway Division, Lahore**

18.11.2014: The Department explained that according to financial statements, expenditure was within the permissible limits and no undue benefit was granted to the contractor.

The **para was conditionally settled** subject to verification of requisite record by Audit with the directions/recommendations that necessary mechanism be devised to discourage overpayments to the contractors.

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(vii) 2.4.4.7 DP No. 128 Executive Engineer, Provincial Highway Division, Sargodha-II

19.11.2014: The Department explained that outstanding amount had been recovered from the security deposit of the contractor against another work which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit with the directions that an inquiry be conducted to ascertain whether any malafide was involved in the matter and further actions be taken by the PAO accordingly.

(viii) 2.4.4.8 DP No. 125 Executive Engineer, Provincial Highway Division, Sargodha-II

19.11.2014: The Department explained that outstanding amount had been recovered from the contractor which had also been produced to Audit for verification.

Audit contended that disciplinary action was required against the person responsible for granting undue benefit to the contractor.

The Committee **conditionally settled the para** subject to verification of requisite record by Audit and disciplinary action against the concerned officers as well as the DAO under intimation to the PAC.

5. Para No.2.4.5 Pages 36 to 39 of Audit Report for the year 2011-12, Unjustified payment of price variation – Rs.129.122 million

(i) 2.4.5.1 DP No. 440 Executive Engineer, Provincial Highway Division, Jhelum

18.11.2014: The Department explained that time extension for completion of work had been granted by the competent authority and payment was made to the contractor within the provisions of technically sanctioned estimate which had also been got verified by Audit.

On the recommendations of Audit, the **para was settled**.

(ii) 2.4.5.2 DP No. 500 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

28.09.2015: The Department explained that time extension had been granted by the competent authority which had also been got regularized by the competent authority.

The **para was conditionally settled** subject to verification of relevant record by Audit.

(iii) 2.4.5.3 DP No. 414(ii) & 423(ii) Executive Engineer, Provincial Highway Division, Lahore/Okara

18.11.2014: The Department explained that extension in time for completion of work was granted by the competent authority due to relocation of utility services by the concerned agencies. As such, payment of price variation on the work carried out in the extended time was justified. It was added that payment was made with approval of the Chief Engineer as well as PDWP.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

(iv) **2.4.5.4 DP No. 160 Executive Engineer, Provincial Highway Division, Rawalpindi**

18.11.2014: The Department explained that time extension for completion of work had been granted by the competent authority in view of ground realities.

Audit contended that verification of consultant's report was also required in the matter.

The **para was conditionally settled** subject to verification of requisite record by Audit.

(v) **2.4.5.5 DP No. 450 Executive Engineer, Provincial Highway Division, Mianwali**

19.11.2014: The Department explained that time extension for completion of work had been granted by the competent authority and payment of price variation to the contractor was justified.

The **para was kept pending** with the directions that matter should be reconciled with Audit.

6. Para No.2.4.6 Page 40 of Audit Report for the year 2011-12, Irregular acceptance of performance security – Rs.105.949 million

DP No. 426 Executive Engineer, Provincial Highway Division, Lahore

18.11.2014: The Department explained that hectic efforts were being made for recovery of outstanding dues as the cases of the concerned contractors had been referred to NAB.

The **para was kept pending** with the directions that recovery cases should be pursued vigorously. It was further directed/recommended that departmental inquiry should be held to fix responsibility for non-recovery of outstanding dues and action be taken accordingly against the defaulters including the DAOs.

7. Para No.2.4.7 Pages 40 & 41 of Audit Report for the year 2011-12, Unjustified payment without documentary evidence – Rs.100.629 million

DP No. 453 Executive Engineer, Provincial Highway Division, Mianwali

19.11.2014: The Department explained that bitumen had been procured by the contractor from the National Refinery Karachi.

Report of PAC-II (2011-12)

The **para was kept pending** with the directions that requisite certificate should be sought from National Refinery, Karachi.

8. Para No.2.4.8 Pages 41 & 42 of Audit Report for the year 2011-12, Non-recovery of payment made without work done – Rs.74.394 million

DP No. 448 & 14-A Executive Engineer, Provincial Highway Division, Mianwali

19.11.2014: The Department explained that case regarding recovery involved in above paras had been referred to NAB which was still under process.

The **above para was kept pending** with the directions that outstanding amount should be reconciled with Audit and strict disciplinary action be taken against the responsible officers/officials and their names should also be reported to NAB.

9. Para No.2.4.9 Pages 42 to 46 of Audit Report for the year 2011-12, Loss due to adoption of incorrect MRS input rates in technical estimate – Rs.63.285 million

(i) 2.4.9.1 DP No. 425 Executive Engineers, Highway Division, Lahore and Okara

18.11.2014: The Department explained that cost of construction work in each phase was above 200 million and therefore, 5% extra overhead charges had been correctly provided in PC-I with due approval of Planning & Development Board and a summary for the purpose had also been approved by the Chief Minister.

The **para was conditionally settled** subject to verification of requisite record/contract agreement by Audit.

(ii) 2.4.9.2 DP No. 5 & 9 Executive Engineer, Provincial Highway Division, Mianwali

19.11.2014: The Department explained that rate analysis duly approved in the estimate was correct and there was no loss to the Government.

The **para was kept pending** with the directions that matter should be reconciled with Audit as well as Finance Department.

(iii) 2.4.9.3 DP No. 2 & 7 Executive Engineer, Provincial Highway Division, Mianwali

19.11.2014: The Department explained that audit observation was duplication of para No.2.4.9.2 which had been got verified by Audit.

The **para was accordingly deleted.**

(ii) 2.4.9.4 DP No. 34 Executive Engineer, Provincial Highways Division, Lahore

18.11.2014: The Department explained that rate for excavation of foundation had been provided in administrative approval, technically sanctioned estimate as well as contract agreement and payment was made accordingly. It was added that there was no deviation from PC-I.

The **para was conditionally settled** subject to verification of requisite record by Audit.

(iii) 2.4.9.5 DP No. 63 Executive Engineer, Provincial Building Division, D.G. Khan

17.11.2014: The Department explained that rate of certain items had been erroneously depicted in T.S estimate but the scheme was being revised and necessary correction would be made in the revised administrative approval /revised estimate. It was added that no overpayment had been made for impugned item.

The **para was conditionally settled** subject to verification of requisite record by Audit.

10. Para No.2.4.10 Pages 46 to 52 of Audit Report for the year 2011-12, Overpayment due to incorrect price variation/base rates – Rs.60.685 million

(i) 2.4.10.1 DP No. 481 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

28.09.2015: The Department explained that price variation was paid according to the rates notified by the Chief Engineer. It was further stated that rates notified by the Finance Department subsequently, were not justified.

The **para was kept pending** with the directions/recommendations that a comprehensive reference regarding departmental contention, should be moved to the Technical Wing, Finance Department for seeking advice.

(ii) 2.4.10.2 DP No. 186 Executive Engineer, Provincial Highway Division, Muzaffargarh

19.11.2014: The Department explained that rate analysis for providing & laying plant premixed bituminous carpeting was prepared in accordance with the instructions of Finance Department and rate of asphalt based on this analysis existed in administrative approval and technically sanctioned estimate. However, the matter had been referred to a Special Committee headed by Member (Infrastructure) P& D Department.

The **para was kept pending** till the receipt of requisite advice.

Report of PAC-II (2011-12)

(iii) **2.4.10.3 DP No. 3 Executive Engineer, Provincial Highway Division, Rahim Yar Khan**

19.11.2014: The Department explained that outstanding amount had been recovered and work had been completed satisfactorily.

The **para was conditionally settled** subject to verification of requisite record by Audit.

(iv) **2.4.10.4 DP No. 471 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

28.09.2015: The Department explained that total outstanding dues had been recovered on account of price variation and security deposit would be recouped from the final bill of the contractor.

The **para was conditionally settled** subject to verification of final bill by Audit.

(v) **2.4.10.5 DP No. 478 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

28.09.2015: The Department explained that total outstanding dues had been adjusted in the final bill of the contractor but the scheme was lying unfunded.

The **para was conditionally settled** subject to recoupment of security deposit of the contractor and verification of final financial statements by Audit.

(vi) **2.4.10.6 DP No. 103 Executive Engineer, Provincial Buildings Division, Rahim Yar Khan**

17.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The Committee **settled the above para** with the directions/recommendations that warnings be issued to the responsible officers/officials and the DAO, under intimation to the PAC.

(vii) **2.4.10.7 DP No. 67 Executive Engineer, Provincial Building Division, D.G. Khan**

17.11.2014: The Department explained that actual outstanding amount had been recovered which had also been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that warning be issued to the persons responsible for overpayment as well as concerned DAO, under intimation to the PAC.

(viii) **2.4.10.8 DP No. 116 Executive Engineer, Provincial Highway Division, Gujranwala**

18.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the para** with the directions that warning be issued to the incumbents.

(ix) **2.4.10.9 DP No. 185 Executive Engineer, Provincial Highway Division, Muzaffargarh**

19.11.2014: The Department explained that packed bitumen was used for prime coat & tack coat while provision for the purpose existed in administrative approval as well as technically sanctioned estimate and DNIT. It was added that prime coat & tack coat were only possible through packed bitumen of 80/100 lbs. As such, no overpayment was involved.

The **para was conditionally settled** subject to verification of requisite record by Audit.

11. Para No.2.4.11 Pages 52 to 56 of Audit Report for the year 2011-12, Irregular payment without carrying out work – Rs.59.074 million

(i) **2.4.11.1 DP No. 475 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

28.09.2015: The Department explained that an inquiry was conducted to thrash out the matter whereby it was concluded that payment was in order. However, minor penalty was imposed on the officers/officials found guilty of carelessness.

The **para was conditionally settled** subject to verification of inquiry report by Audit.

(ii) **2.4.11.2 DP No. 265 Executive Engineer, Provincial Highway Division, Okara**

(iii) **2.4.11.3 DP No. 264 Executive Engineer, Provincial Highway Division, Okara**

18.11.2014: The Department explained that overpayment pointed out by Audit had been adjusted/recovered in the running bill of the contractor which could be verified by Audit.

The **above paras were conditionally settled** subject to verification of requisite record by Audit with the directions that necessary instructions should be issued to discourage overpayments in all such cases.

(iv) **2.4.11.4 DP No. 170 Executive Engineer, Provincial Road Construction Division, Lahore**

Report of PAC-II (2011-12)

18.11.2014: The Department explained that Audit observation was based on misapprehension due to some omission in record entries. However, actual outstanding amount of Rs.428,743/- had been recovered and the work had been completed satisfactorily.

The **para was conditionally settled** subject to verification of record with the directions/recommendations that warning be issued to the concerned officers/officials.

(v) 2.4.11.5 DP No. 486 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

28.09.2015: The Department explained that final statement of the accounts had been prepared and security deposit of the contractor had also been recouped. However, the project was lying unfunded.

The **para was conditionally settled** subject to verification of relevant record by Audit.

(vi) 2.4.11.6 DP No. 474 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

29.09.2015: The Department explained that requisite measurement book had been misplaced but the same was traced out later. It was added that an inquiry had been conducted into the matter and resultantly, disciplinary action had been taken against the responsible officials/officers.

The **para was conditionally settled** subject to directions/recommendations that requisite record in support of departmental contention should be got verified by Audit.

12. Para No.2.4.12 Pages 56 & 57 of Audit Report for the year 2011-12, Undue financial aid due to not obtaining of performance/additional performance security – Rs.49.847 million

DP No. 494 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

29.09.2015: The Department admitted that performance security had not been obtained initially but the same had been acquired later. It was added that work had been completed satisfactorily.

The **para was kept pending** with the directions/recommendations that disciplinary action should be taken against the concerned DDO as well as the DAO, under intimation to the PAC within 15 days.

13. Para No.2.4.13 Pages 57 & 58 of Audit Report for the year 2011-12, Loss on account of security deposit – Rs.41.630 million

DP No. 14-B Executive Engineer, Provincial Highway Division, Mianwali

19.11.2014: The Department explained that case regarding recovery involved in above paras had been referred to NAB which was still under process.

The **above para was kept pending** with the directions that outstanding amount should be reconciled with Audit and strict disciplinary action be taken against the responsible officers/officials and their names should also be reported to NAB.

14. Para No.2.4.14 Pages 58 & 59 of Audit Report for the year 2011-12, Non-recovery on account of mobilization advance – Rs.40.243 million

DP No. 458 Executive Engineer, Provincial Highway Division, Mianwali

19.11.2014: The Department explained that case regarding recovery involved in above paras had been referred to NAB which was still under process.

The **above para was kept pending** with the directions that outstanding amount should be reconciled with Audit and strict disciplinary action be taken against the responsible officers/officials and their names should also be reported to NAB.

15. Para No.2.4.15 Pages 59 to 65 of Audit Report for the year 2011-12, Loss due to incorrect application of rates – Rs.26.190 million

(i) 2.4.15.1 DP No. 432 Executive Engineer, Provincial Highway Division, Mianwali

19.11.2014: The Department explained that rate analysis approved in the estimate was justified and payment had been made to the contractor accordingly.

The **para was kept pending** for reconciliation with Audit/Finance Department.

(ii) 2.4.15.2 DP No. 9 Executive Engineer, Provincial Highway Division, Rahim Yar Khan

Report of PAC-II (2011-12)

19.11.2014: The Department explained that as per lead chart prepared on the basis of Audit observation, work had been carried out as per provisions of revised estimate and no overpayment was involved in the matter.

The **para was conditionally settled** subject to verification of requisite record by Audit.

- (iii) **2.4.15.3 DP No. 201 Executive Engineer, Provincial Building Division, Gujranwala**
- (iv) **2.4.15.4 DP No. 202 Executive Engineer, Provincial Building Division, Gujranwala**

17.11.2014: The Department explained that as per decision of SDAC, the rate analysis of non-standardized item of wooden floor, had been revisited by the Chief Engineer which could be verified by Audit.

The Committee directed/recommended that approval of PAO should be sought in the matter.

The **para was conditionally settled** subject to decision of the Administrative Secretary.

- (v) **2.4.15.5 DP No. 197 Executive Engineer, 2nd Provincial Building Division, Lahore**

17.11.2014: The Department explained that as per clarification of the Finance Department, expenditure was in order and the facts had been got verified by Audit.

On the recommendation of Audit, the **para was settled**.

- (vi) **2.4.15.6 DP No. 61 Executive Engineer, Provincial Highway Division, Dera Ghazi Khan**

19.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

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

- (vii) **2.4.15.7 DP No. 106 Executive Engineer, Provincial Buildings Division, Rahim Yar Khan**

17.11.2014: The Department explained that rate analysis had been prepared on prescribed performa/template of the Finance Department and payment was made within the permissible limit as per rules. As such no recovery was involved and the facts had been got verified by Audit.

The Departmental explanation was accepted and **the para was settled**.

- (viii) 2.4.15.8 DP No. 179 Executive Engineer, Provincial Highway Division, Muzaffargarh
- (ix) 2.4.15.9 DP No. 180 Executive Engineer, Provincial Highway Division, Muzaffargarh

19.11.2014: The Department explained that nearest possible lead for crush stone and bajri had been provided in the administrative approval, technical sanction and payment was made accordingly.

The **paras were conditionally settled** subject to verification of relevant record by Audit.

16. Para No.2.4.16 Pages 65 & 66 of Audit Report for the year 2011-12, Irregular grant of mobilization advance – Rs.25.80 million

DP No. 497 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

29.09.2015: The Department explained that mobilization advance had been granted to the contractor with due approval of the competent authority.

Audit contended that undue financial favour was granted to the contractor in the subject case.

The **para was kept pending** with the directions/recommendations that an inquiry be conducted by the PAO to fix responsibility for the lapse under intimation to the PAC within 30 days.

17. Para No.2.4.17 Pages 66 & 67 of Audit Report for the year 2011-12, Undue payment of secured advance without material brought at site – Rs.21.529 million

- (i) 2.4.17.1 DP No. 417-ii Executive Engineer, Provincial Highway Division, Okara

18.11.2014: The Department explained that total outstanding amount had been recovered which could be verified by Audit. It was added that disciplinary action had also been taken against the defaulters.

Audit contended that interest @12% was also recoverable as per indenture bond.

The Committee directed/recommended that matter regarding recovery of interest should be reconciled with Audit in consultation with the Finance Department.

The **para was kept pending**.

- (ii) 2.4.17.2 DP No. 489 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

Report of PAC-II (2011-12)

29.09.2015: The Department explained that outstanding amount had been recovered which had also been produced to Audit for verification. It was added that cases against the contractor were under trial in NAB.

Audit contended that outstanding amount was recovered after lapse of almost 10 year. As such, interest amounting to Rs.1,152,000/- was also recoverable from the contractor.

The **para was kept pending** with the directions/recommendations that balance outstanding amount should also be attached with cases under trial in NAB.

18. Para No.2.4.18 Pages 68 & 69 of Audit Report for the year 2011-12, Overpayment due to allowing carriage of stone from distant quarry – Rs.19.435 million

(i) 2.4.18.1 DP No. 113 Executive Engineer, Provincial Highway Division, Gujranwala

18.11.2014: The Department explained that sufficient material for sub-base was not available in Dina quarry, therefore, Sikhanwali quarry had been provided in the PC-I. As such, no overpayment was involved.

The Director (Monitoring) Finance Department endorsed the departmental contention.

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

(ii) 2.4.18.2 DP No. 60 Executive Engineer, Provincial Highway Division, Dera Ghazi Khan

19.11.2014: The Department explained that Sakhi Sarwar quarry had been approved in administrative approval and technical sanction as no stone crusher was available at Sanghar quarry. As such, no overpayment was involved.

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

19. Para No.2.4.19 Pages 69 & 70 of Audit Report for the year 2011-12, Loss due to allowing payment for defective work done – Rs.16.00 million

DP No. 8 Executive Engineer, Provincial Highway Division, Rahim Yar Khan

19.11.2014: The Department explained that total outstanding dues as per job mix formula, had been recovered which could be verified by Audit.

The Committee directed that outstanding amount should be reconciled with Audit.

The **para was conditionally settled** subject to recovery of reconciled amount and its verification by Audit.

- 20. Para No.2.4.20 Pages 70 & 71 of Audit Report for the year 2011-12, Unauthorized expenditure due to payment of unapproved item – Rs.11.449 million**
-

DP No. 94 Executive Engineer, 5th Provincial Building Division, Lahore

17.11.2014: The Department explained that in case AP. No. 11 revised estimate had been technically sanctioned in which impugned quantities had been regularized. However, final bill could be furnished due to non-availability of funds. Similarly, in case of AP No.15, the revised estimate was under process for technical sanction.

The para was kept pending.

- 21. Para No.2.4.21 Pages 71 to 76 of Audit Report for the year 2011-12, Non-recovery due to de-escalation in the rates of material – Rs.9.046 million**
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- (i) 2.4.21.1 DP No. 13 Executive Engineer, Provincial Highway Division, Mianwali**

19.11.2014: The Department explained that work had been rescinded and balance work had been allotted to another contractor on Risk & Cost of original contractor. However, the matter was subjudice in the court.

Being subjudice, the above para was kept pending.

- (ii) 2.4.21.2 DP No. 133 Executive Engineer, 3rd Provincial Buildings Division, Lahore**

17.11.2014: The Department explained that recovery had been effected from the contractor on account of price variation and subsequently, the scheme was lying unfunded. The Administrative Secretary assured that no further recovery was involved in the matter.

The para was conditionally settled subject to verification of relevant record by Audit.

- (iii) 2.4.21.3 DP No. 70 Executive Engineer, Provincial Building Division, D.G. Khan**

17.11.2014: The Department explained that a sum of Rs.342,294/- as pointed out in AIR. No.17, had been recovered while in case of AIR No.13, no recovery of price variation was due to contractor because rate of steel remained intact from the date of tendering and actual recovery of price variation amounting to Rs.69,527/- had been recovered from him.

The Committee directed/recommended that a clarification be sought in the matter from the Technical Wing, Finance Department.

Report of PAC-II (2011-12)

The **para was conditionally settled** subject to verification of complete recovery in the light of Finance Department's advice.

(iv) 2.4.21.4 DP No. 72 **Executive Engineer, Provincial Building Division, D.G. Khan**

17.11.2014: The Department explained that actual outstanding amount had been recovered which had also been got verified by Audit.

Audit contended that verification of final bill was required in the matter.

The Committee directed/recommended that an inquiry should be conducted to fix responsibility for non-recovery of price variation timely and warning be issued to the responsible officials/officers as well as DAO, under intimation to the PAC.

The **para was conditionally settled** subject to above directions and verification of final bill by Audit.

(v) 2.4.21.5 DP No. 120 **Executive Engineer, 2nd Provincial Building Division, Lahore**

17.11.2014: The Department explained that as per decision of DAC, all the relevant record including measurement books had been produced to Audit for verification and necessary adjustments of de-escalation had also been made.

The Committee **settled the para** with the directions/recommendations that warning be issued to the incumbents, responsible for non-recovery of outstanding dues timely.

(vi) 2.4.21.6 DP No. 65 **Executive Engineer, Provincial Building Division, D.G. Khan**

17.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The Committee **settled the above para** with the directions/recommendations that warnings be issued to the responsible officers/officials and the DAO, under intimation to the PAC.

(vii) 2.4.21.7 DP No. 499 PAR JF Rd **Executive Engineer, Provincial Highway Division, Faisalabad**

29.09.2015: The Department assured that outstanding amount would be recovered at the earliest.

The **para was kept pending** till recovery of outstanding dues.

22. **Para No.2.4.22 Pages 77 & 78 of Audit Report for the year 2011-12, Excess payment due to incorrect application of rate – Rs.8.841 million**

(i) **2.4.22.1 DP No. 10 Executive Engineer, Provincial Highway Division, Rahim Yar Khan**

19.11.2014: The Department explained that as per A&C No.6, the quantity of crushed stone was taken as 122cft without taking into consideration the stone screening and the rate was calculated for 122cft stone and 22cft stone screening.

The Committee directed/recommended that a clarification be sought in the matter from the Finance Department and policy decision should be taken accordingly.

The para was kept pending.

(ii) **2.4.22.2 DP No. 10 Executive Engineer, Provincial Highway Division, Mianwali**

19.11.2014: The Department explained that rate analysis approved in the estimate was justified and payment had been made to the contractor accordingly.

The para was kept pending for reconciliation with Audit/Finance Department.

23. Para No.2.4.23 Pages 78 to 80 of Audit Report for the year 2011-12, Overpayment due to incorrect calculation – Rs.8.601 million

(i) **2.4.23.1 DP No. 11 Executive Engineer, Provincial Highway Division, Mianwali**

19.11.2014: The Department explained that case regarding recovery of mobilization advance was under process in ACE and departmental inquiry was also being conducted.

The para was kept pending with the directions/recommendations that subject case should also be referred to NAB.

(ii) **2.4.23.2 DP No. 262 Executive Engineer, Provincial Highway Division, Okara**

18.11.2014: The Department explained that overpayment pointed out by Audit had been adjusted/recovered in the running bill of the contractor which could be verified by Audit.

The above para was conditionally settled subject to verification of requisite record by Audit with the directions that necessary instructions should be issued to discourage overpayments in all such cases.

Report of PAC-II (2011-12)

(iii) 2.4.23.3 DP No. 415 Executive Engineer, Provincial Highway Division, Okara

18.11.2014: The Department explained that outstanding amount had been recovered and work had been carried out according to the provisions of the agreement which had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the para** with the directions that warning be issued to the incumbents.

(iv) 2.4.23.4 DP No. 484 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

29.09.2015: The Department explained that partial recovery had been effected while efforts were being made for recovery of balance outstanding dues.

The **para was kept pending** with the directions/recommendations that disciplinary action should be taken against the officials/officers, at fault.

24. Para No.2.4.24 Pages 80 to 81 of Audit Report for the year 2011-12, Unauthorized expenditure due to incurrence more than releases – Rs.8.376 million

DP No. 480 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

29.09.2015: The Department explained that expenditure had already been incurred when the funds were withdrawn/reduced by the Finance Department.

The **para was conditionally settled** subject to decision of the relevant Appropriation Accounts.

25. Para No.2.4.25 Pages 81 & 82 of Audit Report for the year 2011-12, Overpayment made for work done in violation of Job Mix Formula (JMF) – Rs.8.003 million

(i) 2.4.25.1 DP No. 156 Executive Engineer, Provincial Highway Division, Rawalpindi

18.11.2014: The Department explained that outstanding amount had been recovered which had also been got verified by Audit.

Audit contended that verification of final bill was required in the matter.

The **para was conditionally settled** subject to verification of final bill by Audit.

(ii) **2.4.25.2 DP No. 512 Executive Engineer, Provincial Highway Division, Okara**

18.11.2014: The Department explained that matter contained in above paras was under arbitration and decision thereon was still awaited.

The para was kept pending.

26. Para No.2.4.26 Pages 83 to 86 of Audit Report for the year 2011-12, Overpayment due to incorrect measurement – Rs.6.735 million

(i) **2.4.26.1 DP No. 149 Executive Engineer, Provincial Road Construction Division, Rawalpindi**

(ii) **2.4.26.4 DP No. 148 Executive Engineer, Provincial Road Construction Division, Rawalpindi**

(iii) **2.4.26.6 DP No. 150 Executive Engineer, Provincial Road Construction Division, Rawalpindi**

18.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit. However, final bill was under process.

The above paras were conditionally settled subject to verification of requisite record by Audit.

(iv) **2.4.26.2 DP No. 508 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

29.09.2015: The Department explained that partial recovery had been effected while balance amount was pending against one contractor against whom the case had already been forwarded to NAB for investigation.

The amount of para was reduced to the extent of recovery verified by Audit with the directions that relevant record should be got verified by Audit.

The para was kept pending.

(v) **2.4.26.3 DP No. 11 Executive Engineer, Provincial Highway Division, Rahim Yar Khan**

19.11.2014: The Department explained that work had been carried out as per revised technical sanction, administrative approval and no overpayment was involved in the matter. It was added that facts had been got verified by Audit.

On the recommendations of Audit, the para was settled.

(vi) **2.4.26.5 DP No. 16 Executive Engineer, Provincial Highway Division, Mianwali**

Report of PAC-II (2011-12)

19.11.2014: The Department explained that work had been rescinded and balance work had been allotted to another contractor on Risk & Cost of original contractor. However, the matter was subjudice in the court.

Being subjudice, the **above para was kept pending.**

27. Para No.2.4.27 Pages 86 to 91 of Audit Report for the year 2011-12, Excess payment due to non-adjustment of dismantled crust – Rs.6.438 million

(i) 2.4.27.1 DP No. 237 Executive Engineer, Provincial Highway Division, Multan

19.11.2014: The Department explained that quantities of dismantled material had been fully adjusted which had also been got verified by Audit.

The **para was conditionally settled** subject to verification of complete recovery and final bill by Audit.

(ii) 2.4.27.2 DP No. 191 Executive Engineer, Provincial Highway Division, Muzaffargarh

(iii) 2.4.27.4 DP No. 189 Executive Engineer, Provincial Highway Division, Muzaffargarh

28.09.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above paras were settled.**

(iv) 2.4.27.3 DP No. 4 Executive Engineer, Provincial Highway Division, Rahim Yar Khan

19.11.2014: The Department explained that all the dismantled material had been re-used/adjusted which had also been got verified by Audit.

Audit contended that verification of final bill was required in the matter.

The **para was conditionally settled** subject to verification of requisite record by Audit.

(v) 2.4.27.5 DP No. 13 Executive Engineer, Provincial Highway Division, Mianwali

19.11.2014: The Department explained that outstanding amount would be adjusted at the earliest.

The **para was kept pending** for recovery of outstanding dues and verification of relevant record by Audit.

(vi) **2.4.27.6 DP No. 5 Executive Engineer, Provincial Highway Division, Rahim Yar Khan**

19.11.2014: The Department explained that total outstanding amount had been recovered which had been verified by Audit and final bill would also be produced for verification.

The **para was conditionally settled** subject to verification of final bill by Audit.

(vii) **2.4.27.7 DP No. 504 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

29.09.2015: The Department explained that outstanding dues in respect of AP. No.11 had already been effected while outstanding amount depicted in AP No.18 had not yet been paid to the contractor. As such, requisite adjustment would be made in the measurement book.

The Committee **settled the para** to the extent of AP. No.11 while AP. No.18 was conditionally settled subject to requisite adjustment and its verification by Audit.

(viii) **2.4.27.8 DP No. 456 Executive Engineer, Provincial Highway Division, Mianwali**

19.11.2014: The Department explained that case regarding recovery involved in above paras had been referred to NAB which was still under process.

The **above para was kept pending** with the directions that outstanding amount should be reconciled with Audit and strict disciplinary action be taken against the responsible officers/officials and their names should also be reported to NAB.

28. Para No.2.4.28 Pages 91 to 93 of Audit Report for the year 2011-12, Undue financial aid due to non-obtaining of additional bank guarantee and performance security – Rs.6.230 million

DP No. 97 Executive Engineer, 5th Provincial Building Division, Lahore

17.11.2014: The Department explained that as per decision of SDAC dated 27.12.2011, an inquiry was conducted into the matter by the Chief Engineer, North Zone Punjab whereby it was concluded that performance security was not required and no irregularity was committed.

Audit contended that re-tendering was required in the matter because TS estimate and DNIT had been revised.

The Committee directed/recommended that an advice of Finance Department should be sought whether performance security and additional bank guarantee was required or not, according to rules.

The para was kept pending.

29. Para No.2.4.29 Pages 93 & 94 of Audit Report for the year 2011-12, Overpayment due to incorrect specification – Rs.5.734 million

- (i) 2.4.29.1 DP No. 15 Executive Engineer, Provincial Highway Division, Mianwali
- (ii) 2.4.29.2 DP No. 437 Executive Engineer, Provincial Highway Division, Jhelum

19.11.2014: The Department explained that correct quantity of bitumen had been allowed in technically sanctioned estimate and payment was made accordingly.

The paras were conditionally settled subject to verification of revised technical sanction and recovery of total outstanding amount by Audit.

- (iii) 2.4.29.3 DP No. 6 Executive Engineer, Provincial Highway Division, Rahim Yar Khan

19.11.2014: The Department explained that total outstanding amount had been recovered which had been verified by Audit and final bill would also be produced for verification.

The para was conditionally settled subject to verification of final bill by Audit.

30. Para No.2.4.30 Pages 94 to 97 of Audit Report for the year 2011-12, Excess payment due to excessive measurement – Rs.5.480 million

- (i) 2.4.30.1 DP No. 510 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

29.09.2015: The Department explained that bulk of the outstanding amount had been recovered while efforts were being made for balance recovery.

The para was kept pending with the directions that its amount be reduced to the extent of recovery verified by Audit.

- (ii) 2.4.30.2 DP No. 181 Executive Engineer, Provincial Highway Division, Muzaffargarh

19.11.2014: The Department explained that total outstanding amount had been recovered/adjusted from the running bills of the contractor which could be verified by Audit. However, the work was still in progress.

Audit contended that verification of final bill was required in the matter.

The para was conditionally settled subject to complete recovery and verification of requisite record/final bill by Audit.

(iii) **2.4.30.3 DP No. 255 Executive Engineer, Provincial Highway Division, Muzaffargarh**

28.09.2015: The Department explained that adjustment of earth had been made on account of excavation and outstanding amount had also been recovered from the security deposit of the contractor.

Audit contended that security deposit of the contractor was required to be recouped and monthly account should also be produced for verification.

The **para was conditionally settled** subject to recoupment of security deposit and verification of requisite record by Audit. It was further directed/recommended that a check-list be devised for DDOs, indicating the requisite documents that must be attached to every bill submitted for payment and it should be circulated by the Finance Department across all the concerned departments.

(iv) **2.4.30.4 DP No. 250 Executive Engineer, Provincial Highway Division, D.G. Khan**

19.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The **para was settled** with the directions/recommendations that warning be issued to the responsible officers.

31. Para No.2.4.31 Pages 97 & 98 of Audit Report for the year 2011-12, Non/short recovery of dismantled material – Rs.4.971 million

(i) **2.4.31.1 DP No. 467 Executive Engineer, Provincial Highway Division, Sialkot**

18.11.2014: The Department explained that army authorities did not allow dismantling asphaltic work from the area of median and therefore, scope of work was revised accordingly.

The Committee directed/recommended that Finance Department should examine the matter minutely and submit its report in the next meeting.

The **above para was kept pending.**

(ii) **2.4.31.2 DP No. 445 Executive Engineer, Provincial Highway Division, Jhelum**

18.11.2014: The Department explained that dismantled material upon 90% approximately had been used for sub-base which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

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32. Para No.2.4.32 Pages 98 & 99 of Audit Report for the year 2011-12, Non-imposition of penalty due to delay in completion of work – Rs.4.247 million

DP No. 491 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

29.09.2015: The Department explained that extension had been granted by the competent authority vide letter dated 12.11.2009.

The Director (Monitoring) Finance Department opined that ex-post facto extension after lapse of several years could not be granted.

The **para was kept pending** with the directions/recommendations that matter should be referred to the Finance Department for inquiry and submission of report to the PAC within 30 days.

33. Para No.2.4.33 Pages 99 & 100 of Audit Report for the year 2011-12, Overpayment due to excessive measurement – Rs.2.550 million

DP No. 420 Executive Engineer, Provincial Highway Division, Okara

18.11.2014: The Department explained that matter contained in above paras was under arbitration and decision thereon was still awaited.

The **para was kept pending**.

34. Para No.2.4.34 Pages 100 to 102 of Audit Report for the year 2011-12, Overpayment due to application of incorrect input rates in rate analysis – Rs.2.165 million

- (i) **2.4.34.1 DP No. 184 Executive Engineer, Provincial Highway Division, Muzaffargarh**
- (ii) **2.4.34.2 DP No. 182 Executive Engineer, Provincial Highway Division, Muzaffargarh**

19.11.2014: The Department explained that packed bitumen was used for prime coat & tack coat while provision for the purpose existed in administrative approval as well as technically sanctioned estimate and DNIT. It was added that prime coat & tack coat were only possible through packed bitumen of 80/100 lbs. As such, no overpayment was involved.

The **paras were conditionally settled** subject to verification of requisite record by Audit.

35. Para No.2.4.35 Pages 102 to 104 of Audit Report for the year 2011-12, Excess payment due to excessive measurement and incorrect higher rate – Rs.1.928 million

(i) 2.4.35.1 DP No. 91 Executive Engineer, 4th Provincial Building Division, Lahore

17.11.2014: The Department explained that Audit observation was justified and necessary correction of composite rate along with lead charges had been made in the revised estimate which had been approved by the competent authority.

The Committee directed/recommended that the matter should be referred to Finance Department for seeking advice wherein the decision of DAC must also be regarded.

The para was kept pending.

(ii) 2.4.35.2 DP No. 215 Executive Engineer, Provincial Highway Division, Bahawalpur

19.11.2014: The Department explained that outstanding amount had been recovered/adjusted which could be verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit.

36. Para No.2.4.36 Pages 104 & 105 of Audit Report for the year 2011-12, Excess payment due to non-reduction in rate – Rs.1.836 million

DP No. 162 Executive Engineer, Provincial Highway Division, Lahore

18.11.2014: The Department explained that as per clarification of Finance Department vide letter dated 14.6.2007, no recovery was required in the subject case.

The para was conditionally settled subject to verification of relevant record by Audit with the directions that in future, decisions of SDAC must be complied with in letter and spirit.

37. Para No.2.4.37 Page 105 of Audit Report for the year 2011-12, Excess payment due to non-obtaining of invoices manufacturer certificates – Rs.1.093 million

DP No. 487 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

29.09.2015: The Department explained that invoice of the contractor who supplied mild steel, had already been produced to Audit for verification.

Audit contended that Manufacturer Certificate and lab test reports were required for verification.

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The **para was conditionally settled** subject to verification of requisite record by Audit within 15 days.

38. Para No.2.4.38 Pages 106 & 107 of Audit Report for the year 2011-12, Overpayment due to extra carriage of material – Rs.0.650 million

DP No. 198 Executive Engineer, 1st Provincial Building Division, Lahore

17.11.2014: The Department explained that provision for extra carriage existed in PC-I, approved by the competent authority as well as technically sanctioned estimate as the proposed site was situated in very congested area and material could not be transported there directly on heavy vehicles. As such, loading/unloading outside at open area and further carriage thereafter, was necessary as per site requirements.

Audit contended that MRS rates were inclusive of carriage of construction material to the site of work.

The Committee directed/recommended that an advice of Finance Department should be sought in the matter within 30 days and further actions should be taken accordingly.

The para was kept pending.

39. Para No.2.4.39 Page 107 of Audit Report for the year 2011-12, Loss due to approval of rates in TSE for more than MRS rate Rs. 0.512 million

DP No. 51 Executive Engineer, Provincial Highway Division, Dera Ghazi Khan

19.11.2014: The Department explained that total outstanding amount had been recovered and payment had been made as per provisions of administrative approval and technical sanction.

The explanation of the Department was accepted and **the para was settled**. The Committee also recommended that relevant rules should be rationalized as per site requirements.

40. Para No.2.4.40 Page 108 of Audit Report for the year 2011-12, Excess payment due to excessive measurement – Rs.0.486 million

DP No. 483 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

29.09.2015: The Department assured that outstanding amount would be recovered at the earliest.

The para was kept pending till recovery of outstanding dues.

- 41. Para No.2.4.41 Pages 108 & 109 of Audit Report for the year 2011-12, Overpayment due to allowing loose factor of stone in the rate analysis – Rs.0.400 million**
-

DP No. 172 Executive Engineer, Provincial Road Construction Division, Lahore

18.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the **para was settled**.

- 42. Para No.2.4.42 Pages 109 & 110 of Audit Report for the year 2011-12, overpayment due to incorrect rate paid Rs. 0.214 million**
-

DP No. 248 Executive Engineer, Provincial Highway Division, D.G. Khan

19.11.2014: The Department explained that a sum of Rs.213,676/- had been recovered while remaining quantity had not been paid to the contractor and balance recovery of Rs.167,393/- pointed out by Audit, was not justified.

The Committee directed/recommended that recoverable amount should be reconciled with Audit.

The **para was conditionally settled** subject to recovery of reconciled amount and its verification by Audit.

GENERAL DIRECTIONS/RECOMMENDATIONS

17.11.2014: The Committee observed that working papers had not been timely submitted by the Department nor compiled in accordance with the prescribed format

The Committee expressed its displeasure on casual attitude of the Department towards PAC business and desired that Principal Accounting Officer should ensure timely submission of working papers in future.

COOPERATIVE

The Committee examined the Accounts and Audit Paras of the Cooperative Department in its meeting held on 29.01.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Page 81 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
 042 Agri, Food, Irrigation, Forestry & Fishing
 0421 Agriculture
042101 Administration/Land Commission
LQ4085 Cooperative Department

Final Grant		Rs.15,422,000/-
Actual Expenditure		Rs.15,413,834/-
Saving	(-)	Rs. 8,166/-
Percentage		0.05%

29.01.2015: The Department explained that bulk of the allocated funds had been utilized while excess expenditure against the sub-head A011-1, was incurred for payment of salaries.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

2. Grant No. PC21021 (021) Cooperation (All Voted) Pages 82 to 85 of Appropriation Accounts for the year 2011-12

(i) 04 Economic Affairs
 042 Agri, Food, Irrigation, Forestry & Fishing
 0421 Agriculture
042107 Cooperation
LQ4216 Direction

Final Grant		Rs.47,826,000/-
Actual Expenditure		Rs.47,197,595/-
Saving	(-)	Rs. 628,405/-
Percentage		1.31%

29.01.2015: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A011-2 was incurred due to upgradation/promotions.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

- (ii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042107 Cooperation

LQ4217 Superintendence

Final Grant		Rs.51,421,000/-
Actual Expenditure		Rs.51,265,933/-
Saving	(-)	Rs. 155,067/-
Percentage		0.30%

29.01.2015: The Department explained that bulk of the allocated funds had been utilized, however, excess expenditure against the sub-heads A011-1 and A011-2 was incurred due to posting of senior employees by transfer and promotions.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

- (iii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042107 Cooperation

BO4004 Cooperative Training Institute Bahawalpur

Final Grant		Rs.5,780,000/-
Actual Expenditure		Rs.5,909,829/-
Excess	(+)	Rs. 129,829/-
Percentage		2.25%

- (iv) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042107 Cooperation

FQ4003 Cooperative Training College Faisalabad

Final Grant		Rs.28,522,000/-
Actual Expenditure		Rs.28,717,883/-
Excess	(+)	Rs. 195,883/-
Percentage		0.69%

29.01.2015: The Department explained that excess expenditure had been incurred due to posting of senior employees by transfer and promotions.

The Committee directed/recommended that administrative Department should inquire into the matter and then excess expenditure be got condoned by the Finance Department.

Subject to above directions, **the items were conditionally settled.**

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

- 1. Para No.4.4.1 Pages 46 & 47 of Audit Report for the year 2011-12, Non recovery of loans due to ineffective recovery mechanism – Rs.49.209 million**
-

29.01.2015: The Department explained that partial recovery had been effected from Cooperatives Societies while efforts were being made for balance recovery.

The **para was kept pending** with the directions that necessary action should be taken in consultation with Finance Department.

- 2. Para No.4.4.2 Pages 47 & 48 of Audit Report for the year 2011-12, Unauthorized payment on account of use of residential telephone facility – Rs.306,757/-**
-

- (i) 4.4.2.1 AIR No. 04, Registrar, Cooperatives Societies, Lahore – Rs.204,863/-**

29.01.2015: The Department explained that recovery notices had been issued to the concerned officers and progress would be made in due course.

The Committee **conditionally settled the para** subject to recovery of outstanding dues and verification of relevant record by Audit.

- (ii) 4.4.2.2 AIR No. 01, Secretary, Cooperatives Department, Lahore – Rs.101,894/-**

29.01.2015: The Department explained that telephone calls were made by the Secretary and Additional Secretary in connection with official business regarding Cooperatives Societies, banks and defunct Finance Corporations. However, regularization case had been returned by the Finance Department with advice that position be explained before the PAC.

The Committee **conditionally settled the para** subject to recovery of outstanding dues and verification of relevant record by Audit.

EDUCATION

The Committee examined the Accounts and Audit Paras of the Education Department in its meetings held on 24.09.2014, 25.09.2014, 26.09.2014, 29.05.2015 & 18.03.2016 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Pages 263, 264 & 671 of Appropriation Accounts for the year 2011-12

- (i) 09 Education Affairs & Services
 093 Tertiary Education Affairs & Services
 0931 Tertiary Education Affairs & Services
 093103 Administration

LQ4448 Higher Education Department

Final Grant		Rs.87,897,000/-
Actual Expenditure		Rs.86,859,403/-
Saving	(-)	Rs. 1,037,597/-
Percentage		1.18%

24.09.2014: The Department explained that there was nominal saving against various sub-heads while excess expenditure against the sub-heads A011-1, A011-2 and A012-2 had been incurred due to increase in salaries which were paid through computerized system of Accountant General Punjab.

The Committee **conditionally settled the item** subject to condonation of excess expenditure by the Finance Department within 30 days.

- (ii) 09 Education Affairs & Services
 093 Tertiary Education Affairs and Services
 0931 Tertiary Education Affairs and Services
 093103 Administration

LQ4766 Monitoring and Evaluation Cell

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.7,227,000/-	Rs.7,227,000/-
Actual Expenditure	Rs.8,163,066/-	Rs.7,311,887/-
Excess	(+) Rs. 936,066/-	(+) Rs. 84,887/-
Percentage	12.95%	1.17%

26.09.2014: The representative of Accountant General Punjab stated that above accounts had not yet been reconciled by the Department.

The **item was kept pending** for reconciliation of accounts within 7 days.

- (iii) 09 Education Affairs & Services
 093 Tertiary Education Affairs and Services
 0931 Tertiary Education Affairs and Services
 093103 Administration

LQ4451 School Education Department

Final Grant		Rs.86,678,000/-
Actual Expenditure		Rs.83,867,296/-
Saving	(-)	Rs. 2,810,704/-
Percentage		3.24%

26.09.2014: The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowance because several posts were lying vacant.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

2. Grant No. PC21015 (015) Education (All Voted) Pages 265 to 310 of Appropriation Accounts for the year 2011-12

- (i) 09 Education Affairs & Services
 093 Tertiary Education Affairs & Services
 0931 Tertiary Education Affairs & Services
 093120 Others

LQ4499 Govt Degree College Kahuta

Final Grant		Rs.14,275,000/-
Actual Expenditure		Rs.14,275,000/-
Excess/Saving		<i>Nil</i>
Percentage		0.00

- (ii) 09 Education Affairs & Services
 093 Tertiary Education Affairs & Services
 0931 Tertiary Education Affairs & Services
 093120 Others

LQ4485 Lahore College for Women University Lahore

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.106,815,000/-	Rs.106,812,129/-
Actual Expenditure	Rs.106,812,629/-	Rs.106,812,129/-
Saving	(-) Rs. 2,371/-	<i>Nil</i>
Percentage	0.00%	0.00%

- (iii) 09 Education Affairs & Services

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- 093 Tertiary Education Affairs & Services
- 0931 Tertiary Education Affairs & Services
- 093120 Others

LQ4490 Govt Fatima Jinnah College for Women Chuna Mandi Lahore

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.64,741,000/-	Rs.64,640,386/-
Actual Expenditure	Rs.64,640,386/-	Rs.64,640,386/-
Saving (-)	Rs. 100,614/-	<i>Nil</i>
Percentage	0.16%	0.00%

24.09.2014: The Department explained that all the allocated funds had been fully utilized.

The above **items were accordingly settled.**

- (iv) 09 Education Affairs & Services
- 097 Education Affairs, Services Not Elsewhere
- 0971 Education Affairs, Services Not Elsewhere
- 097120 Others

LQ4613 Govt Post Graduate College Samanabad Faisalabad

Final Grant	Rs.84,422,000/-
Actual Expenditure	Rs.80,111,313/-
Saving (-)	Rs. 4,310,687/-
Percentage	5.11%

24.09.2014: The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowances because several posts were lying vacant.

The Committee **settled the item** with the directions/recommendations that warning be issued to the concerned DDO for not surrendering the surplus funds.

- (v) 09 Education Affairs And Services
- 093 Tertiary Education Affairs & Services
- 0931 Tertiary Education Affairs & Services
- 093120 Others

FQ4004 Government College University Faisalabad

Final Grant	Rs.58,906,000/-
Actual Expenditure	Rs.58,481,174/-
Saving (-)	Rs. 424,826/-
Percentage	0.72%

24.09.2014: The Department explained that minor saving had occurred because some cheques could not be encashed due to time constraints.

The Committee accepted the explanation of the Department and **settled the item.**

- (vi) 09 Education Affairs And Services
- 093 Tertiary Education Affairs & Services

0931 Tertiary Education Affairs & Services
093120 Others

GU4003 University of Gujrat

Final Grant		Rs.68,000,000/-
Actual Expenditure		Rs.65,400,000/-
Saving	(-)	Rs. 2,600,000/-
Percentage		3.82%

24.09.2014: The Department explained that all the allocated funds had been fully utilized except those against the sub-head of A03-Operating Expenses wherein no expenditure had been incurred due to late receipt of final modified grant.

The Committee directed/recommended that matter regarding 100% saving against the sub-head A03 should be investigated and report be submitted to PAC within 30 days as to how the operational expenses were met despite saving.

The **item was conditionally settled** subject to above directions.

(vii) 09 Education Affairs And Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093120 Others

LQ4498 Fatima Jinnah Women University Rawalpindi

	<u>AG Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.5,000,000/-		Rs.55,000,000/-
Actual Expenditure	Rs.9,347,698/-		Rs. 9,347,698/-
Excess/Saving	(+) Rs.4,347,698/-	(-)	Rs.45,652,302/-
Percentage	86.95%		83.00%

24.09.2014: The representative of AG Punjab informed that accounts had been reconciled and there was saving of Rs.45,652,302/- which was 83 % of the final grant.

The Department explained that saving had occurred due to late release of funds by the Finance Department and resultantly three cheques could not be encashed. It was added that Rs.36.250 million were re-allocated in the subsequent year while the case for 9.6 million was still pending in the Planning & Development Department.

The Committee **settled the item** with the directions that matter should be finalized within 30 days under intimation to the PAC.

(viii) 09 Education Affairs And Services
097 Education Affairs, Services Not Elsewhere
0971 Education Affairs, Services Not Elsewhere
097120 Others

LQ4602 Govt. Post Graduate College (w) S.Town Gujranwala

Final Grant	Rs.91,619,000/-
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Actual Expenditure		Rs.85,446,704/-
Saving	(-)	Rs. 6,172,296/-
Percentage		6.74%

24.09.2014: The Department explained that saving had occurred because several posts were lying vacant which were expected to be filled in near future.

The Committee **settled the item** with the warning that such lapses should be avoided in future and directions be issued by the Administrative Department to all concerned Institutions that submission of proper excess & surrender statement must be ensured in future.

- (ix) 09 Education Affairs And Services
097 Education Affairs, Services Not Elsewhere
0971 Education Affairs, Services Not Elsewhere
097120 Others

LQ4591 Govt. Emerson College Multan

Final Grant		Rs.152,993,000/-
Actual Expenditure		Rs.148,907,222/-
Saving	(-)	Rs. 4,085,778/-
Percentage		2.67%

24.09.2014: The Department explained that saving had occurred due to vacant posts while excess expenditure against the sub-heads of pay & allowances was due to revision of pay & allowances by the Government.

The Director (Monitoring) Finance Department opined that saving & excess under the sub-heads of above item was abnormal which required a probe.

The Committee **kept the item pending** with the directions that an inquiry be conducted to thrash out the matter within 30 days under intimation to the PAC.

- (x) 09 Education Affairs And Services
097 Education Affairs, Services Not Elsewhere
0971 Education Affairs, Services Not Elsewhere
097120 Others

LQ4612 Govt. Saddique Degree College (G) Bahawalpur

Final Grant		Rs.88,336,000/-
Actual Expenditure		Rs.70,229,277/-
Saving	(-)	Rs.18,106,723/-
Percentage		20.50%

24.09.2014: The Department explained that saving had occurred mainly under the sub-head of Pay & Allowances because several posts were lying vacant.

The Committee re-iterated its directions that excess & surrender statement should be incorporated in working papers. The Committee further directed/recommended that an

inquiry be conducted to fix responsibility for the lapse under intimation to the PAC within 30 days.

The item was kept pending.

- (xi) 09 Education Affairs And Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093120 Others

LQ4486 University of Education Lahore

Final Grant		Rs.164,996,000/-
Actual Expenditure		Rs.150,753,901/-
Saving	(-)	Rs. 14,242,099/-
Percentage		8.63%

24.09.2014: The Department explained that saving had occurred because several posts were lying vacant while excess expenditure against the sub-heads of pay & allowance was due to revision of pay scales by the Government.

The Committee directed/recommended that an inquiry be conducted at the level of administrative department to fix responsibility as to why re-appropriation was not made and proper excess & surrender statement was not submitted. The Committee further directed that excess expenditure should be got condoned by the competent authority.

The item was conditionally settled subject to above directions.

- (xii) 09 Education Affairs And Services
095 Subsidiary Services to Education
0951 Subsidiary Services to Education
095101 Archives Library and Museums

LQ4424 Quaid-e-Azam Library Lahore

Final Grant		Rs.44,595,000/-
Actual Expenditure		Rs.31,891,951/-
Saving	(-)	Rs.12,703,049/-
Percentage		28.49%

24.09.2014: The Department explained that saving had occurred because some posts were lying vacant and funds were released on 11.6.2012 which could not be utilized due to time constraints.

The Committee directed/recommended that an inquiry be conducted to thrash out the matter as to why proper excess & surrender statement was not submitted and excess expenditure against the sub-head A011-2 be got condoned by the competent authority.

The item was conditionally settled subject to above directions.

- (xiii) 09 Education Affairs And Services
093 Tertiary Education Affairs & Services

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0931 Tertiary Education Affairs & Services
093103 Administration

LQ4140 Direction (Colleges)

Final Grant		Rs.55,112,000/-
Actual Expenditure		Rs.53,880,278/-
Saving	(-)	Rs. 1,231,722/-
Percentage		2.23%

24.09.2014: The Department explained that saving had occurred due to vacant posts and excess expenditure against the sub-head A011-2 had been incurred though computerized pay system which was beyond the control of DDO.

The Committee **settled the item** with the directions that excess expenditure should be got condoned by the competent authority.

(xiv) 09 Education Affairs And Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093101 General Universities/Colleges/Institutes

LQ4145 Arts Colleges

Final Grant		Rs.10,878,630,000/-
Actual Expenditure		Rs.10,961,914,537/-
Excess	(+)	Rs. 83,284,537/-
Percentage		0.77%

(xv) 09 Education Affairs And Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093102 Professional/Technical/Universities/Colleges

LQ4146 Professional Colleges

Final Grant		Rs.119,045,000/-
Actual Expenditure		Rs.117,025,458/-
Saving	(-)	Rs. 2,019,542/-
Percentage		1.70%

(xvi) 09 Education Affairs And Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093103 Administration

LQ5308 Inspection (Colleges)

Final Grant		Rs.217,578,000/-
Actual Expenditure		Rs.194,738,045/-
Saving	(-)	Rs. 22,839,955/-
Percentage		10.50%

24.09.2014: The Department explained that excess expenditure had been incurred under certain sub-heads of Pay & Allowances due to promotion of teaching staff and new appointments of lecturers while saving against other heads was due to vacant posts.

The Committee took serious notice of poor accounts management by the Department and directed/recommended that an Inquiry Committee headed by the PAO and comprising representative of each from the Finance Department and AG office should probe into the matter of above items and submit report to the PAC within 60 days.

The **above items were kept pending.**

- (xvii) 09 Education Affairs & Services
091 Pre & Primary Education Affairs & services
0911 Pre & Primary Education Affairs & services
091103 Administration

LQ4478 Direction (Elementary Education LO4138)

Final Grant		Rs.43,512,000/-
Actual Expenditure		Rs.42,567,576/-
Saving	(-)	Rs. 944,424/-
Percentage		2.17%

26.09.2014: The Department explained that saving had occurred due to lesser expenditure on account of leave salary and contingent paid staff as well as utilities while excess expenditure against the sub-heads A011-1 and A012-1 was due to payment of arrears on accounts of salaries.

The Committee **conditionally settled the item** subject to condonation of excess expenditure by the competent authority.

- (xviii) 09 Education Affairs & Services
091 Pre & Primary Education Affairs & services
0911 Pre & Primary Education Affairs & services
091120 Others

Report of PAC-II (2011-12)

LQ4480 Elementary Teachers Training College

Final Grant		Rs.721,381,000/-
Actual Expenditure		Rs.684,129,080/-
Saving	(-)	Rs. 37,251,920/-
Percentage		5.16%

26.09.2014: The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowances because several posts were lying vacant which were expected to be filled in near future. It was added that saving under the sub-head A09 had occurred due to austerity measures.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

- (xix) 09 Education Affairs & Services
092 Secondary Education Affairs And Services
0921 Secondary Education Affairs And Services
092102 Administration

LQ4479 Direction (Secondary Education) (LQ4139)

Final Grant		Rs.43,717,000/-
Actual Expenditure		Rs.40,615,442/-
Saving	(-)	Rs. 3,101,558/-
Percentage		7.09%

26.09.2014: The Department explained that saving had occurred because several posts were lying vacant which were expected to be filled in near future and certain bills were submitted late by the concerned firms.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

- (xx) 09 Education Affairs & Services
092 Secondary Education Affairs And Services
0921 Secondary Education Affairs And Services
092120 Others

AQ4002 Cadet College Hassanabdal

Final Grant		Rs.71,660,000/-
Actual Expenditure		Rs.71,660,000/-
Excess/Saving		<i>Nil</i>
Percentage		0.00%

- (xxi) 09 Education Affairs & Services
092 Secondary Education Affairs And Services
0921 Secondary Education Affairs And Services
092120 Others

BO4008 Sadiq Public High School Bahawalpur

Final Grant	Rs.20,000,000/-
Actual Expenditure	Rs.20,000,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

26.09.2014: The Department explained that all the allocated funds had been fully utilized.

The above items were accordingly settled.

- (xxii) 09 Education Affairs & Services
092 Secondary Education Affairs And Services
0921 Secondary Education Affairs And Services
092120 Others

LQ4483 Punjab Examination Commission Lahore

Final Grant	Rs.557,993,000/-
Actual Expenditure	Rs.473,522,293/-
Saving (-)	Rs. 84,470,707/-
Percentage	15.14%

26.09.2014: The Department explained that saving had occurred because several posts were lying vacant and lesser students of private schools appeared in examination, resultantly lesser honorarium was paid to the supervisory and marking staff. Similarly, expenditure on printing and scanning of examination papers for class V and VIII, was also on the lower side.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

- (xxiii) 09 Education Affairs & Services
092 Secondary Education Affairs And Services
0921 Secondary Education Affairs And Services
092120 Others

LQ4620 Punjab National Museum of Science & Technology Lahore

Final Grant	Rs.19,408,000/-
Actual Expenditure	Rs.19,071,931/-
Saving (-)	Rs. 336,069/-
Percentage	1.73%

26.09.2014: The Department explained that saving had occurred because some posts were lying vacant and certain bills were not timely submitted by the concerned firms. However, there was excess expenditure against the sub-heads A011-1 and A012-1 due to posting of senior officer against the post of Director.

The Committee **conditionally settled the item** subject to condonation of the excess expenditure by the Finance Department.

- (xxiv) 09 Education Affairs & Services

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092 Secondary Education Affairs And Services
0921 Secondary Education Affairs And Services
092120 Others

LQ4621 National Education Equipment Wahdat Colony Lahore

Final Grant		Rs.20,567,000/-
Actual Expenditure		Rs.21,555,353/-
Excess	(+)	Rs. 988,353/-
Percentage		4.81%

26.09.2014: The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowances because several posts were lying vacant while excess expenditure against the sub-head A011-2 was due to revision of pay scales by the Government.

The Committee directed/recommended that an inquiry should be conducted to probe the matter regarding savings and abnormal excess against various sub-heads of above item and then excess expenditure be got regularized from the Finance Department.

The item was kept pending.

(xxv) 09 Education Affairs & Services
092 Secondary Education Affairs And Services
0921 Secondary Education Affairs And Services
092120 Others

LQ4487 Govt. Central Model School Lahore

Final Grant		Rs.75,524,000/-
Actual Expenditure		Rs.76,243,000/-
Excess	(+)	Rs. 719,000/-
Percentage		0.95%

26.09.2014: The representative of AG stated that reconciliation of budget was required with Finance Department in case of above item.

The item was kept pending for reconciliation.

(xxvi) 09 Education Affairs & Services
092 Secondary Education Affairs And Services
0921 Secondary Education Affairs And Services
092120 Others

LQ4492 Punjab Education Assessment System (PEAS)

Final Grant		Rs.11,135,000/-
Actual Expenditure		Rs.10,427,402/-
Saving	(-)	Rs. 707,598/-
Percentage		6.35%

26.09.2014: The Department explained that saving had occurred due to delay in receipt of technical report for District Wide Large Scale Assessment which resulted in lapse of funds.

The Committee accepted the explanation of the Department and **settled the item.**

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

- 1. Para No.8.4.1 Pages 159 & 160 of Audit Report for the year 2011-12, Doubtful expenditure on purchases due to non maintenance of requisite record – Rs. 55.939 million**
-

- (i) 8.4.1.1 AIR No. 5 Secretary Higher Education Department, Lahore – Rs. 55,817,484/-**

26.09.2014: The Department explained that all the relevant record was available for verification which could not be verified due to its huge volume lying across 36 districts.

The para was conditionally settled subject to verification of requisite record by Audit within 60 days.

- (ii) 8.4.1.2 AIR No. 8 Government College for Women Township, Lahore – Rs. 121,190/-**

25.09.2014: The Department explained that all entries of furniture and other items had been made properly in the stock register which had been verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit.

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, the above para was settled.

- 2. Para No.8.4.2 Pages 160 & 161 of Audit Report for the year 2011-12, Unjustified expenditure on hiring/maintenance of Guest House – Rs.2.403 million**
-

AIR No. 13 University of Engineering & Technology, Lahore

26.09.2014: The Department explained that classes in UET Faisalabad Campus were started in rented buildings and a room of the rented house was occupied by the Campus Coordinator to monitor the establishment of the campus. It was added that in view of Audit observation, the expenditure would be got regularized by the syndicate.

The Committee conditionally settled the para subject to regularization of the expenditure by the competent authority.

29.05.2015: The Department explained that matter regarding subject paras had been referred to the Finance Department for seeking regularization.

The para was kept pending with the directions/recommendations that Finance Department should decide the matter within 7 days.

18.03.2016: The Department explained that expenditure had been regularized by the syndicate and relevant record regarding visits of teachers was available for verification.

The **para was conditionally settled** subject to verification of relevant record by Audit.

3. Para No.8.4.3 Pages 161 to 163 of Audit Report for the year 2011-12, Unauthorized purchase of durable goods without concurrence of Austerity Committee – Rs.54.713 million

(i) 8.4.3.1 AIR No. 04 Islamia University, Bahawalpur – Rs.50,575,814/-

24.09.2014: The Department explained that essential purchases were made after observing codal formalities prior to receipt of letter regarding austerity measures and approval of senate had also been granted.

The Committee directed/recommended that matter be got regularized from the Austerity Committee of the University.

Subject to above direction, the para was conditionally settled.

29.05.2015: The Department explained that the matter had been regularized by the austerity committee of the University.

The **para was kept pending** with the directions/recommendations that regularization of the expenditure be sought from the Finance Department, within 7 days.

(ii) 8.4.3.2 AIR No. 10 Government College University, Lahore – Rs.4,137,394/-

25.09.2014: The Department explained that purchases had been made with the sanction of the Vice Chancellor after observing all rules & regulation in the academic interest of the University out of its own resources. As such, no irregularity was involved.

The Director (Monitoring) Finance Department opined that expenditure was required to be regularized by the Finance Department.

The para was conditionally settled subject to regularization of the expenditure by the competent authority.

29.05.2015: The Department explained that matter regarding subject paras had been referred to the Finance Department for seeking regularization.

The para was kept pending with the directions/recommendations that Finance Department should decide the matter within 7 days.

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18.03.2016: The Department explained that a case for seeking regularization had been moved for approval of the Finance Department.

The **para was kept pending** till the approval of the competent authority.

4. Para No.8.4.4 Pages 163 & 164 of Audit Report for the year 2011-12, Purchase of vehicles during ban without permission of Chief Minister – Rs.3.969 million

AIR No. 23 University of Punjab, Lahore

25.09.2014: The Department explained that vehicles were purchased out of University's self generated funds to meet the urgent and essential requirements while the notification regarding ban had not been received in the University.

The Committee conditionally settled the para subject to regularization of the expenditure by the competent authority.

29.05.2015: The Department explained that summary for regularization of the expenditure was being moved for approval of the competent authority.

The **para was kept pending** with the directions/recommendations that matter should be expedited by the Finance Department.

5. Para No.8.4.5 Pages 164 & 165 of Audit Report for the year 2011-12, Unauthorized appointment due to amendment in the Statutes without approval of competent authorities – Rs.1.269 million

AIR No. 1 University of Education, Lahore

25.09.2014: The Department explained that pay of the concerned officer had been re-fixed in BS-17 and it had also been decided by the Syndicate that salary against higher post would not be recovered from him.

The Committee expressed its concern on absence of concerned Vice Chancellor without any intimation and directed/recommended that an inquiry be conducted by the PAO to fix responsibility for irregular appointment and report be submitted to the PAC within 30 days.

The para was kept pending.

29.05.2015: The Department explained that an inquiry had been conducted into the matter and further action would be taken as per its findings.

The para was kept pending for recovery of outstanding dues as per findings of departmental inquiry.

18.03.2016: The Department explained that an inquiry had been conducted into the matter and resultantly, recovery had been imposed upon the concerned officer which would be recovered in due course.

The **para was kept pending** for recovery of outstanding dues.

6. Para No.8.4.6 Pages 165 & 166 of Audit Report for the year 2011-12, Undue financial favour to contractor due to non-obtaining of additional performance security – Rs. 4.046 million

AIR No. 13 Project Director, University of Education, Lahore

25.09.2014: The Department explained that in case of Student Hostel Lower Mall, Lahore, the contractor had been directed to deposit additional performance security but he insisted to release the amount already withheld by the Department. However, the project was in completion phase and no loss to Government had occurred. In case of Boys Hostel, Township Lahore, the Department explained that project was rescinded but the work had been completed and additional performance security was not obtained from the contractor because his liabilities were outstanding.

The Director (Monitoring) Finance Department opined that violation of financial rules had been committed in the matter.

The para was kept pending with the directions/recommendation that irregularity be got condoned by the Finance Department.

29.05.2015: The representative of University explained that a case for regularization of the matter had been moved to the Administrative Department for onward submission to the Finance Department.

The para was kept pending with the directions/recommendations that Finance Department should decide the matter at the earliest.

18.03.2016: The Department explained that as per recommendations of Finance Department, an inquiry was conducted into the matter and report had been submitted back to the Finance Department.

The **para was kept pending** with the directions/recommendations that further action should be taken by the Finance Department under intimation to the PAC.

Report of PAC-II (2011-12)

7. Para No.8.4.7 Pages 167 & 168 of Audit Report for the year 2011-12, Unauthorized payment of Science & Technology Allowance – Rs.1.320 million

AIR No. 15 Islamia University of Bahawalpur

24.09.2014: The Department explained that a sum of Rs.1,465,065/- had been recovered and strenuous efforts were being made for balance recovery.

The para was reduced to the extent of recovery verified by Audit and its remaining portion was kept pending for recovery of outstanding dues within 90 days.

29.05.2015: The Department explained that in compliance with previous directions of PAC, further recovery of Rs.488,355/- had been effected while efforts were being made for recovery of balance outstanding dues.

The amount of para was reduced to the extent recovery verified by Audit with the directions/recommendations that balance recovery should be expedited.

The para was kept pending.

8. Para No.8.4.8 Pages 168 & 169 of Audit Report for the year 2011-12, Unauthorized expenditure without the provision of approved PC-I – Rs.866,217/-

AIR No. 8 University of Engineering & Technology, Lahore

26.09.2014: The Department explained that mortar mates were engaged on daily wages against the projects and payment was made from contingencies with approval of the competent authority and matter would be referred to HEC for regularization.

Audit contended that payment was made for items beyond the scope of work, without provision in the PC-I.

The Director (Monitoring) Finance Department opined that such minor variations could be covered in the PC-IV on completion of work.

The para was kept pending with the directions/recommendations that necessary corrective measure should be taken by the Department as per rules.

29.05.2015: The Department explained that funding for the project had been released by the Higher Education Commission and work was also being carried out as per provisions of HEC. It was added that work was still in progress and necessary adjustments/variations would be covered in PC-IV.

The para was kept pending till approval of PC-IV.

08.03.2016: The Department explained that funds for the project had been released by the Higher Education Department and the work was still under process. It was added that any variations/adjustments would be covered in PC-IV. Moreover, variations had already been regularized by the Higher Education Commission.

The Committee accepted the explanation of the Department and **settled the para** with the directions/recommendations that preparation of PC-III must be ensured in future.

9. Para No.8.4.11 Pages 172 to 174 of Audit Report for the year 2011-12, Non deposit/illegal retention of public receipts – Rs.24.464 million

(i) 8.4.11.1 AIR No. 07 Government Sadiq Egerton College, Bahawalpur – Rs.7,384,739/-

24.09.2014: The Department explained that total dues had been deposited into government treasury which could be verified by Audit.

The para was conditionally settled subject to verification of complete recovery by Audit within 30 days.

29.05.2015: The Department explained that total amount pointed out by Audit, had been deposited into government treasury and relevant record had been produced to Audit for verification.

Audit contended that requisite record was still awaited.

The Committee expressed its displeasure on non-verification of record despite lapse of several months and reiterated its directions that some responsible focal person be deputed in the Administrative Department to facilitate the field formations and get the record verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit within 30 days.

18.03.2016: The Department explained that total amount had already been deposited into Government Treasury and relevant record would be produced to Audit for verification at the earliest.

The **para was conditionally settled** subject to verification of relevant record by Audit.

(ii) 8.4.11.2 Government Postgraduate College for Woman Samanabad, Lahore – Rs.7,256,183/-

25.09.2014: The Department explained that total amount pointed out by Audit had been deposited into the government treasury/National Bank of Pakistan Samanabad Branch, Lahore which had also been verified by Audit.

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The Director (Monitoring) Finance Department asked whether the bank account had been opened with approval of the Finance Department but no representative of the College was present in the meeting.

The Committee directed/recommended that displeasure letter be issued to the concerned Principal and if the bank account had not been approved by the Finance Department, it must be closed.

Subject to above directions, **the para was settled.**

- (iii) **8.4.11.3 AIR No. 02 Government MAO College, Lahore – Rs.6,745,599/-**
8.4.11.3 AIR No. 01 Government MAO College, Lahore – Rs.515,514/-

25.09.2014: The Department explained that a sum of Rs.6,745,599/- had deposited into government treasury whereas public funds had also been utilized for the welfare of students and relevant record had been got verified by Audit.

The Committee directed/recommended that all the bank accounts which were being maintained by educational institutions without approval of the Finance Department should either be got approved by Finance Department or closed and instruction for the purpose be issued by the Administrative Department.

Subject to above directions/recommendations, **the paras were settled.**

- (iv) **8.4.11.4 AIR No. 13 Government Postgraduate College (W), Chandi Chowk, Sargodha – Rs.700,100/-**

24.09.2014: The Department explained that expenditure had been incurred from the college fund which did not fall under the purview of Audit.

The Director (Monitoring) Finance Department opined that the funds which were accounted for, in cash book of college, were auditable.

The Administrative Department also endorsed the above contention and added that detailed instructions had already been issued regarding bus funds of college.

The Committee directed/recommended that such funds should be duly audited and the expenditure already incurred, should be got regularized by the competent authority.

The para was kept pending.

29.05.2015: The Department explained that matter regarding subject paras had been referred to the Finance Department for seeking regularization.

The para was kept pending with the directions/recommendations that Finance Department should decide the matter within 7 days.

18.03.2016: The Department explained that a case for seeking regularization had been moved to the Finance Department.

The Finance Department apprised that subject case had been returned for taking disciplinary action against the concerned DDO.

The Department added that case had been resubmitted to the Finance Department on 3.3.2016.

The **para was kept pending** till decision of the Finance Department.

(v) **8.4.11.5 AIR No. 3 Government College for Elementary Teacher, Sargodha – Rs.1,370,000/-**

26.09.2014: The Department explained that total recoverable amount had already been deposited into the Farogh-e-Taleem fund which could be verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit.

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

(vi) **8.4.11.6 AIR No. 09 Government Islamia College Railway Road, Lahore – Rs.407,527/-**

26.09.2014: The Department explained that student funds were not required to be deposited in government treasury and as per instructions of Higher Education Department, such funds were utilized for welfare of the students.

The para was kept pending with the directions/recommendations that concurrence of Finance Department be sought for retention of aforesaid funds.

29.05.2015: The Department explained that matter regarding subject paras had been referred to the Finance Department for seeking regularization.

The para was kept pending with the directions/recommendations that Finance Department should decide the matter within 7 days.

18.03.2016: The Department explained that as per directions of PAC, a case for seeking advice had been referred to Finance Department which was still under process.

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The **para was kept pending** with the directions/recommendations that Finance Department should decide the matter at the earliest.

(vii) **8.4.11.7 AIR No. 6 Secretary Higher Education Department, Lahore – Rs. 83,500/-**

26.09.2014: The Department explained that total outstanding amount had been recovered on account of bid documents which could be verified by Audit.

The Director (Monitoring) Finance Department pointed out that temporary retention of public money was also illegal.

The Committee **conditionally settled the para** subject to verification of requisite record by Audit with the direction that PAO should examine the matter regarding un-authorized retention of money and take necessary action accordingly under intimation to the PAC.

10. Para No.8.4.12 Pages 174 & 175 of Audit Report for the year 2011-12, Unauthorized excess drawl of house rent allowance and conveyance allowance – Rs. 12.286 million

AIR No. 6 University of Engineering and Technology, Taxila

24.09.2014: The Department explained that matter had been submitted for approval of the Chancellor and a Committee comprising 5 Secretaries had been appointed to examine such issues.

The Committee directed/recommended that payment of un-authorized allowance should be stopped at once and uniform policy should be adopted in all universities across the province. The Committee further directed that report of aforesaid Committee headed by Additional Chief Secretary Punjab should be finalized within 90 days under intimation to the PAC.

The para was kept pending.

29.05.2015: The Department explained that the subject matter was under consideration of a Special Committee headed by the Additional Chief Secretary Punjab.

The para was kept pending with the directions/recommendations that PAO should pursue the matter vigorously.

18.03.2016: The Department explained that decision of the Special Committee constituted by the Chancellor was still awaited.

The **para was kept pending**.

11. Para No.8.4.14 Pages 177 to 181 of Audit Report for the year 2011-12, Non/less recovery of income tax at source – Rs. 4.238 million

(i) **8.4.14.1 AIR No. 1 Secretary, Higher Education Punjab, Lahore – Rs. 33,600/-**

26.09.2014: The Department explained that total outstanding amount had been recovered and relevant record was also available for verification.

The para was conditionally settled subject to verification of relevant record by Audit.

18.03.2016: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above para was settled** with the directions/recommendations that warnings be issued to the DDOs responsible for non/less recovery of income tax.

(ii) **8.4.14.2 AIR No. 03 Government College for Women Baghbanpura, Lahore – Rs.470,494/-**

25.09.2014: The Department explained that the M/s. Preston Computer and office automation were asked to deposit the income tax amount but the firm filed a writ petition in the Lahore High Court Lahore.

The Committee directed/recommended that only income tax return be obtained from the licensee.

The para was conditionally settled subject to decision of the court.

29.05.2015: The Department explained that the concerned firm had been directed to deposit the income tax but they filed an appeal before the High Court and the case was decided in favour of the petitioner. As such, income tax could not be withheld.

The Committee reiterated its directions/recommendations that income tax return be sought from the concerned firm failing which, it should be blacklisted.

The para was kept pending.

18.03.2016: The Department explained that income tax returns of the concerned firm had been produced to Audit for verification.

Audit contended that relevancy of the amount had not been shown in the income tax return and income tax returns of the contractors were required as per notification of Higher Education Department.

The Administrative Department stated that aforesaid notification would be withdrawn.

The **para was conditionally settled** subject to above assurance of the Administrative Department.

(iii) **8.4.14.3 AIR No. 17 Government Islamia College Railway Road, Lahore – Rs.431,000/-**

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26.09.2014: The Department explained that licensee had not received any payment for rendering services, as such deduction of income tax was not required.

The Committee directed/recommended that income tax return be furnished from the licensee and a copy of the letter addressed to him, should be sent to the FBR, as well.

Subject to above directions, **the para was settled.**

(iv) **8.4.14.4 Government College for Women Model Town, Lahore – Rs.428,706/-**

(v) **8.4.14.15 Government College for Women Gulberg, Lahore – Rs.137,563/-**

25.09.2014: The Department explained that licensee had not received any amount for rendering services to the college; as such deduction of income tax was not required.

The Committee directed/recommended that income tax return be furnished from the licensee and a copy of letter addressed to him, should be sent to the FBR as well.

Subject to above directions, **the paras were settled.**

(vi) **8.4.14.5 AIR No. 01 Board of Intermediate and Secondary Education, Lahore – Rs.426,000/-**

25.09.2014: The Department explained that income tax on cash award/prize to the students and teachers was not applicable. However, in view of Audit observation, a clarification regarding teachers prizes had been sought from FBR and reply thereon was still awaited.

The Committee settled the para subject to advice of Federal Board of Revenue.

29.05.2015: The Department explained that exemption of income tax had been granted to the Federal Government in similar cases and therefore, the matter would be taken up with FBR for seeking exemption on payment of prizes.

The para was kept pending.

18.03.2016: The Department explained that beneficiary teachers of prize money were not the employees of BISE Lahore and they belonged to both public and private sector. Therefore, calculation of income tax was difficult after lapse of several years. The PAO added that FBR would be approached to resolve the matter.

The **para was kept pending** with the directions/recommendations that Finance Department should issue instructions to avoid such lapses in future.

(vii) **8.4.14.6 AIR No. 19 University of Sargodha, Sargodha – Rs. 370,587/-**

24.09.2014: The Department explained that actual outstanding amount was Rs.79,946/- instead of Rs.370,587/- which had been recovered while most of the non-gazetted staff did not fall in the prescribed limit of income.

The Committee expressed its grave concern on absence of concerned Vice Chancellor without any intimation whatsoever while he was required to personally appear before the PAC as per rules. The Committee also took serious notice of non-production of record to Audit and directed that warning be issued to responsible officer/official for not deducting the income tax. It was further directed that salary statements of concerned employees be got verified by Audit and recoverable amount be reconciled with Audit.

The Committee unanimously recommended that Special Audit of complete accounts of University of Sargodha should be conducted and non-production of record be treated as misappropriation.

The para was kept pending.

18.03.2016: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above para was settled** with the directions/recommendations that warnings be issued to the DDOs responsible for non/less recovery of income tax.

(viii) **8.4.14.7 AIR No. 03 Government Islamia College of Commerce Allama Iqbal Town, Lahore – Rs.349,443/-**

8.4.14.7 AIR No. 04 Government Islamia College of Commerce Allama Iqbal Town, Lahore – Rs.299,599/-

25.09.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The paras were accordingly settled.

(ix) **8.4.14.8 AIR No. 01 Government Emerson College, Multan – Rs.277,787/-**

24.09.2014: The Department explained that total outstanding amount had been recovered and deposited into government treasury.

Audit stated that credit verification from the treasury office was required in the matter.

The para was conditionally settled subject to verification of requisite record by Audit.

29.05.2015: The Department explained that an amount of Rs.277,787/- had been deposited into government treasury which had also been got verified by FBR.

Audit contended that income tax return of the contractor was still awaited.

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The Committee directed/recommended that notice be issued to the concerned firm to furnish the requisite return failing which, it should be black-listed and its NTN be reported to FBR as well.

The para was kept pending.

18.03.2016: The Department explained that income tax returns of the concerned firm had been produced to Audit for verification.

Audit contended that relevancy of the amount had not been shown in the income tax return and income tax returns of the contractors were required as per notification of Higher Education Department.

The Administrative Department stated that aforesaid notification would be withdrawn.

The **para was conditionally settled** subject to above assurance of the Administrative Department.

(x) **8.4.14.9 University of Gujrat, Gujrat – Rs. 97,584/-**

(xi) **8.4.14.10 Government Postgraduate College, Bahawalpur – Rs. 81,220/-**

24.09.2014: The Department explained that outstanding amount involved in above paras had been recovered which had also been got verified by Audit.

The Committee **settled the above paras** with the directions/recommendations that warnings be issued to the responsables to avoid such lapses in future.

(xii) **8.4.14.11 AIR No. 01 Government Postgraduate College, Burewala – Rs.224,235/-**

24.09.2014: The Department explained that as per FBR letter dated 5.1.2013, income tax was not applicable in the instant case.

Audit contented that as per directions of Higher Education Department, Income Tax Return was required to be obtained from the Licensee.

The Committee settled the para with the directions that Income Tax Return be got verified by Audit.

29.05.2015: The Department explained that concerned firm had provided the income tax return but relevant income had not been incorporated in it.

The Committee directed/recommended that notice be issued to the concerned firm to furnish the requisite return failing which, it should be black listed and its NTN be reported to FBR as well.

The para was kept pending.

18.03.2016: The Department explained that efforts were made to obtain income tax return from the concerned firm and further action could not be taken in the matter because minutes had not been received.

The Committee directed that implementation of the directions/recommendations of PAC should be ensured by the Administrative Department.

The **para was kept pending** for necessary action by the Department within 15 days under intimation to the PAC.

(xiii) 8.4.14.12 AIR No. 30 University of Sargodha, Sargodha – Rs. 212,966/-

24.09.2014: The Department explained that expenditure was incurred on account of supply of prospectus and all the material was provided by the supplier. As such, income tax was rightly deducted @ 3.5 %.

The Committee kept the para pending with the directions that clarification be sought in the matter from the concerned Department within 30 days.

29.05.2015: The Department explained that prospectus was procured as finished product and income tax was deducted accordingly and a clarification in this regard had already been sought from the Federal Board of Revenue.

The **para was kept pending** with the directions/recommendations that income tax return be sought from the contractor within 30 days.

(xiv) 8.4.14.13 Government Postgraduate College for Woman Samanabad, Lahore – Rs.154,756/-

25.09.2014: The Department explained that total outstanding amount had been deposited into the government treasury which had also been got verified by Audit.

On the recommendation of Audit, the **para was settled**.

(xv) 8.4.14.14 AIR No. 04 Government Postgraduate College (W), Chandi Chowk, Sargodha – Rs. 138,935/-

24.09.2014: The Department explained expenditure was incurred on payment of salaries to the teaching staff on stop-gap basis out of the sub-head of other services and income of concerned employees was below the level of taxable income. However, income tax was being deducted regularly.

Audit contended that deduction of income tax from low paid teachers at higher rate was also unjustified.

The Committee directed/recommended that an advice be sought from the Finance Department to resolve the matter and instructions be issued accordingly. Meanwhile, salary statements should also be got verified by Audit.

The para was kept pending.

Report of PAC-II (2011-12)

29.05.2015: The Department explained that in compliance with earlier directions of PAC, a case for seeking advice had been moved to the Finance Department which was still under process.

The para was kept pending with the directions/recommendations that Finance Department should decide the matter within 7 days under intimation to the PAC.

18.03.2016: The Department explained that an advice had been sought from FBR according to which deduction of income tax was not applicable in the subject case.

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

(xvi) 8.4.14.16 AIR No. 08 Government MAO College, Lahore – Rs.103,039/-

25.09.2014: The Department explained that non-gazetted staff was exempted from income tax and balance outstanding amount would be recovered at the earliest.

The para was conditionally settled subject to verification of complete recovery by Audit.

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

12. Para No.8.4.15 Pages 181 & 182 of Audit Report for the year 2011-12, Unauthorized payment of orderly allowance – Rs.3.894 million

AIR No. 3 University of Punjab, Lahore

25.09.2014: The Department explained that a summary had been moved through the Administrative Department for approval of the Chancellor and decision thereon was still awaited.

The para was kept pending till the decision of the Chancellor.

29.05.2015: The Department explained that a summary had been moved for approval of the Chancellor and decision thereon was still awaited.

The **para was kept pending** till decision of the Chancellor.

13. Para No.8.4.16 Pages 182 to 184 of Audit Report for the year 2011-12, Unauthorized drawal of conveyance allowance – Rs.3.140 million

(i) 8.4.16.1 AIR No. 03 University of the Punjab, Lahore - Rs. 1,814,111/-

25.09.2014: The Department explained that conveyance allowance had been paid only to those teachers/officers who were called on duty during summer vacations. However, overpaid amount was being deducted from the salaries of concerned teaching staff.

The para was kept pending for reconciliation of outstanding amount and balance recovery.

29.05.2015: The Department explained that bulk of the outstanding amount had been recovered and balance amount would also be recovered in due course.

The para was kept pending with the directions/recommendations that their amount be reduced to the extent recovery verified by Audit.

18.03.2016: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

(ii) **8.4.16.2 AIR No. 9,10,11 Government Sadiq Degree College (Girls), Bahawalpur - Rs.210,800/-**

24.09.2014: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit within 7 days.

29.05.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit within 7 days.

18.03.2016: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

(iii) **8.4.16.3 AIR No. 05 Lahore College for Women University, Lahore - Rs. 497,736/-**

29.05.2015: The Department explained that University had neither constructed any residencies for its officers nor any allotment was made.

Report of PAC-II (2011-12)

The Committee directed/recommended that an inquiry be conducted to thrash out the matter and report thereon be got verified by Audit within 30 days.

Subject to above directions/recommendations, the para was conditionally settled.

18.03.2016: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

(iv) **8.4.16.4 AIR No. 09 Government Sadiq Egerton College, Bahawalpur - Rs. 319,940/-**

24.09.2014: The Department explained that partial recovery had been effected and efforts were being made for balance recovery. However in certain cases, the concerned employees had passed away.

The para was kept pending with the directions that balance recovery should be expedited and outstanding amount against deceased employees be got written off by the competent authority.

29.05.2015: The Department explained that a sum of Rs.221,392/- had been recovered while case for seeking write off sanction of Rs.5,440/- had been moved to the Finance Department. It was added that efforts were being made for balance recovery.

The para was kept pending with the directions/recommendations that its amount be reduced to the extent of recovered amount and relevant record be produced to Audit within 7 days.

18.03.2016: The Department explained that total outstanding amount from the serving employees had been recovered while balance amount was pending against retired employees and efforts were being made to recover the same.

The **para was kept pending** with the directions that its amount be reduced to the extent of recovery verified by Audit.

(v) **8.4.16.5 AIR No. 04 Government Ambala Muslim College, Sargodha - Rs. 138,880/-**

24.09.2014: The Department explained that a sum of Rs.138,880/- had already been deducted from the salaries of concerned employees.

Audit contended that actual recoverable amount was Rs.833,280/- instead of Rs.138,880/- and the Department was required to recover the balance amount.

The para was kept pending with the directions that actual recoverable amount be reconciled with Audit within 30 days.

29.05.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit within 30 days.

18.03.2016: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

(vi) 8.4.16.6 Government Postgraduate College, Bahawalpur – Rs. 114,240/-

24.09.2014: The Department explained that outstanding amount involved in above para had been recovered which had also been got verified by Audit.

The Committee **settled the above para** with the directions/recommendations that warnings be issued to the responsables to avoid such lapses in future.

(vii) 8.4.16.7 AIR No. 01 Government College for Boys, Gulberg, Lahore - Rs. 44,452/-

26.09.2014: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit.

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

14. Para No.8.4.17 Pages 184 & 185 of Audit Report for the year 2011-12, Non-recovery due to de-escalation – Rs. 3.095 million

AIR No. 2,9,12,13,18,19 Project Director, Bahauddin Zakariya University, Multan

24.09.2014: The Department explained that as per decision of SDAC, a clarification in the matter had been sought from the Finance Department but the matter was still pending since 2012.

Report of PAC-II (2011-12)

The Committee kept the para pending with the direction that Finance Department should decide the case within 30 days.

29.05.2015: The Department explained that matter regarding subject para had been referred to the Finance Department for seeking regularization.

The para was kept pending with the directions/recommendations that Finance Department should decide the matter within 7 days.

18.03.2016: The Department explained that case for seeking regularization had been forwarded to the Finance Department and decision thereon was still awaited.

Finance Department contended that Price Variation Committee had already been appointed by the Department which should be consulted to proceed in the matter.

The **para was conditionally settled** subject to decision of the concerned Committee of the University.

15. Para No.8.4.18 Pages 185 & 186 of Audit Report for the year 2011-12, Unauthorized excess payment of medical allowance – Rs. 2.551 million

AIR No. 3 Fatima Jinnah Women University, Rawalpindi

24.09.2014: The Department explained that matter had been submitted to the Administrative Department for seeking approval of the Chancellor

The para was kept pending till the decision of the chancellor.

29.05.2015: The representative of University explained that the matter for regularization had been moved to the Higher Education Department which was still under process.

The para was kept pending with the directions/recommendations that an inquiry be conducted to fix responsibility for delay in the matter.

18.03.2016: The Department admitted that there was delay on the part of Department as inquiry could not be initiated as per directions/recommendations of PAC. However, case for seeking regularization had been moved for approval of the competent authority.

The Committee observed that concerned section of Higher Education Department was also responsible for delay in the matter. The **para was kept pending** for inquiry and regularization of the expenditure within 30 days.

16. Para No.8.4.19 Pages 186 & 187 of Audit Report for the year 2011-12, Loss due to allotment of work at higher rates – Rs.2.475 million

AIR No. 6 Project Director, University of Education, Lahore

25.09.2014: The Department explained that PC-I of the project was approved in Jan 2008 and funds were received accordingly. However, due to delay in preparation of drawings by the Consultant, the funds lapsed and the same were re-allocated during the next financial year.

Audit contended that rates of 1st quarter 2009 were paid by the Department in violation of Finance Department's instruction.

The Director (Monitoring) Finance Department added that PC-I/administrative approval ought to have been revised from the competent forum.

The Committee directed/recommended that an inquiry be conducted by the Administrative Department to thrash out the matter and report be submitted to the PAC within 30 days.

The para was kept pending.

29.05.2015: The Department explained that Superintending Engineer, Provincial Building Division, Circle-I, Lahore had been appointed to inquire into the matter and report thereon, was still awaited.

The para was kept pending with the directions/recommendations that Inquiry Officer should finalize the proceedings within 30 days under intimation to the PAC.

18.03.2016: The Department explained that an inquiry was being conducted into the matter by the Superintending Engineer, Provincial Building Circle-I, Communication & Works Department.

The **para was kept pending** with the directions/recommendations that Secretary C&W be approached with reference to PAC directions to get the inquiry finalized within 30 days.

17. Para No.8.4.20 Page 188 of Audit Report for the year 2011-12, Overpayment due to application of incorrect current rate of labour – Rs.1.685 million

AIR No. 16 Project Director, University of Education, Lahore

25.09.2014: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of complete recovery by Audit.

Report of PAC-II (2011-12)

29.05.2015: The Department explained that outstanding amount had been recovered from the skilled labour while unskilled labour had been paid as per rates approved by Finance Department.

The Committee directed/recommended that a clarification in the matter be sought from the Finance Department.

The para was kept pending.

18.03.2016: The Department explained that a case for regularization had been submitted to the Finance Department and decision thereon was still awaited.

The para was kept pending.

18. Para No.8.4.21 Pages 188 & 189 of Audit Report for the year 2011-12, Overpayment due to allowing incorrect/excessive rate – Rs.716,262/-

AIR No. 10 Project Director, University of Education, Lahore

25.09.2014: The Department explained that sand under foundation had to be provided in layers and each layer had to be compacted as per structural drawings and as per advice of the consultant i.e. M/s NESPAK, revised rate for filling and compaction was paid with approval of the competent authority.

Audit contended that revised approval of competent forum was required in the matter.

The Committee kept the para pending with the directions/recommendations that revised technical sanction be sought from the competent authority.

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

19. Para No.8.4.22 Pages 190 & 191 of Audit Report for the year 2011-12, Loss due to non recovery of rental charges at the revised rates – Rs.485,000/-

AIR No. 16 University of Sargodha, Sargodha

24.09.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

20. Para No.8.4.23 Pages 191 & 192 of Audit Report for the year 2011-12, Unauthorized payment of Computer Allowance – Rs.484,200/-

AIR No. 16 University of Punjab, Lahore

25.09.2014: The Department explained that 29 employees involved in Audit observation, were regular Computer Personnel who were working on full time basis and drawing computer allowance. However, computer allowance of remaining 27 non-computer personnel had been stopped which could be verified by Audit.

The para was kept pending with the directions/recommendations that unauthorized payment should be recovered from the concerned employees.

29.05.2015: The Department explained that bulk of the outstanding amount had been recovered and balance amount would also be recovered in due course.

The para was kept pending with the directions/recommendations that their amount be reduced to the extent recovery verified by Audit.

18.03.2016: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

21. Para No.8.4.24 Pages 192 & 193 of Audit Report for the year 2011-12, Over payment due to incorrect rate – Rs.431,260/-

AIR No. 7 Vice Chancellor Bahauddin Zakariya University, Multan

24.09.2014: The Department explained that actual outstanding amount was Rs.166,196/- instead of Rs.264,764/- as pointed out by Audit and the same had been recovered.

The Committee directed the Department to reconcile the matter with Audit and the para was conditionally settled subject to complete recovery and its verification by Audit.

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

22. Para No.8.4.25 Pages 193 to 195 of Audit Report for the year 2011-12, Non recovery and deposit of renewal fee – Rs.428,000/-

Report of PAC-II (2011-12)

(i) **8.4.25.1 AIR No. 25 University of Engineering and Technology, Lahore – Rs.318,000/-**

26.09.2014: The Department explained that renewal fee was being collected from the regular contractors/suppliers which were on the panel of UET and only enlisted contractors were allowed to participate in the tendering process.

The para was conditionally settled subject to verification of requisite record by Audit.

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

(ii) **8.4.25.2 AIR No. 31 University of Sargodha, Sargodha – Rs.110,000/-**

24.09.2014: The Department explained that none of the contractors mentioned in the Audit observation, applied for renewal of enlistment.

The para was kept pending with the directions that bid documents/relevant record in support of departmental contention, be got verified by Audit within 7 days.

29.05.2015: The Department explained that contractors involved in Audit observation had not participated in any bidding process and neither they applied for enlistment.

The **para was conditionally settled** subject to verification of requisite record by Audit within 7 days.

23. Para No.8.4.26 Pages 195 & 196 of Audit Report for the year 2011-12, Non recovery of double salary and three months pay in lieu of quitting service – Rs.416,779/-

AIR No. 17 University of Sargodha, Sargodha

24.09.2014: The Department explained that efforts were being made through District Collector for recovery of outstanding dues from Mr. Farooq Anwar Bajwa.

The Committee directed/recommended that an inquiry be conducted by the Administrative Secretary to ascertain whether all codal formalities were observed for appointment and fix responsibility for not verifying the Degrees. It was also recommended that whosoever is found guilty, the case of responsible person be referred to Anti-corruption Establishment for action as per law.

The **para was kept pending.**

24. Para No.8.4.27 Pages 196 & 197 of Audit Report for the year 2011-12, Non recovery of tuition fee – Rs. 360,000/-

AIR No. 4 Government College for Elementary Teachers, Sargodha

26.09.2014: The Department explained that differential amount pointed out by Audit on account of 12 months tuition fee instead of 9 months fee had been deposited into government treasury.

The Director (Monitoring) Finance Department opined that matter regarding un-authorized bank account, should also be examined by the Administrative Department.

The Committee directed/recommended that an inquiry be conducted into the matter to fix responsibility for un-authorized retention of funds and action should be taken against the defaulters. Moreover, necessary action should also be taken as per above advice of the Finance Department within 30 days.

The para was kept pending.

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

25. Para No. 8.4.28 Page 197 of Audit Report for the year 2011-12, Overpayment of inadmissible allowances – Rs. 347,783/-

AIR No. 3 Government College for Elementary Teachers (W) Sharaqpur, Sheikhupura

26.09.2014: The Department explained that matter regarding recovery of inadmissible allowance was subjudice in the court.

Being subjudice, the para was kept pending.

29.05.2015: The Department explained that matter regarding recovery of overpayment was subjudice in the court.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for overpayment under intimation to the PAC and court case be pursued vigorously.

The **para was kept pending.**

26. Para No.8.4.29 Pages 198 & 199 of Audit Report for the year 2011-12, Overpayment due to application of incorrect rate of skilled labour instead of unskilled labour – Rs.283,814/-

AIR No. 14 Project Director, University of Education, Lahore

Report of PAC-II (2011-12)

25.09.2014: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of complete recovery by Audit.

29.05.2015: The Department explained that outstanding amount had been recovered from the skilled labour while unskilled labour had been paid as per rates approved by Finance Department.

The Committee directed/recommended that a clarification in the matter be sought from the Finance Department.

The **para was kept pending**.

27. Para No.8.4.30 Pages 199 to 201 of Audit Report for the year 2011-12, Non adjustment of advances – Rs.63.685 million

(i) 8.4.30.1 AIR No. 1,4,5 University of the Punjab, Lahore – Rs.39,231,941/-

25.09.2014: The Department explained that partial adjustment of advances had been made whereas efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that balance amount should also be adjusted/recovered at the earliest.

(ii) 8.4.30.2 AIR No. 07 University of Engineering and Technology, Taxila – Rs.12,959,067/-

24.09.2014: The Department explained that a sum of Rs.10,889,460/- had already been adjusted which had also been got verified by Audit and balance amount would also be adjusted at the earliest.

On assurance of the Department, the Committee conditionally settled the para subject to complete recovery and its verification by Audit.

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled**.

(iii) 8.4.30.3 AIR No. 8 & 14 Islamia University of Bahawalpur – Rs.6,617,440/-

24.09.2014: The Department explained that total outstanding amount had been adjusted which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit. The Committee also expressed its concern on absence of concerned Vice Chancellor without prior approval and directed that his presence should be ensured in the next meeting.

29.05.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit within 7 days.

18.03.2016: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

(iv) **8.4.30.4 AIR No. 6 University of Engineering and Technology, Lahore – Rs.3,610,435/-**

26.09.2014: The Department explained that total outstanding amount on account of advances had been adjusted which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit.

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

(v) **8.4.30.5 University of Sargodha, Sargodha – Rs.1,265,663/-**

24.09.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

1. **Para No.2.2.1.1 Page 12 of Audit Report for the year 2011-12, Working results**
2. **Para No.2.2.1.2 Page 12 of Audit Report for the year 2011-12, Working results**
3. **Para No.2.2.1.3 Page 12 of Audit Report for the year 2011-12, Working results**
4. **Para No.2.2.1.4 Page 12 of Audit Report for the year 2011-12, Working results**
5. **Para No.2.2.1.7 Page 13 of Audit Report for the year 2011-12, Working results**
6. **Para No.2.2.1.8 Page 13 of Audit Report for the year 2011-12, Working results**
7. **Para No.2.2.1.9 Page 14 of Audit Report for the year 2011-12, Working results**
8. **Para No.2.2.1.10 Page 14 of Audit Report for the year 2011-12, Working results**

29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

9. **Para No.2.2.1.5 Pages 12 & 13 of Audit Report for the year 2011-12, Working results**

29.05.2015: The Department explained that short term investment had increased due to late release of funds by the Finance Department. As such, efficient management was made in interest of the Foundation.

The Director (Monitoring) Finance Department opined that matter required regularization from the Finance Department.

The Committee endorsed the opinion of Finance Department and the para was kept pending for seeking advice from the Finance Department keeping in view the Rules & Regulations of the Foundation.

18.03.2016: The Department explained that as per directions of PAC, a case for seeking advice had been moved to the Finance Department which was still under process.

The **para was kept pending** with the directions/recommendations that case be finalized by the Finance Department at the earliest.

10. **Para No.2.2.1.6 Page 13 of Audit Report for the year 2011-12, Working results**

29.05.2015: The Department explained that hectic efforts were being made from recovery of overdue amount from the delinquent NGOs and concerned Revenue Authorities had also been approached under the Land Revenue Act.

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

11. Para No.2.2.2.1 Pages 15 & 16 of Audit Report for the year 2011-12, Irregular appointment of Director (Finance) and payment of salary – Rs. 0.746 million

29.05.2015: The Department explained that Mr. Malik Jalil-ur-Rehaman, Ex-Director Finance had been terminated on account of fake degree. It was admitted that his degrees could not be got verified at the time of appointment.

The Committee directed/recommended that an inquiry be conducted by the PAO to fix responsibility for non-verification of academic certificates at the time of appointment and further action should be taken accordingly, within 60 days under intimation to the PAC.

The para was kept pending.

18.03.2016: The Department explained that as per directions of PAC, an inquiry had been conducted into the matter whereby it was concluded that appointment had been made on the recommendations of Recruitment Committee comprising four members but later, the degree of Ex-Director Finance was not acknowledged by the Higher Education Commission. It was added that payment had been made to the officer only for the period served by him.

The Committee observed that official responsibilities had not been properly performed by the officers responsible for recruitment. Moreover, the earlier directions/recommendations of PAC dated 29.5.2015 had been ignored and disregarded.

The Special Secretary (Schools) requested that an opportunity may be granted to conduct *denovo* inquiry in the subject case.

The Committee acceded to the request of the said officer and directed that denovo inquiry should be finalized within 15 days under intimation to the PAC.

The para was kept pending.

12. Para No.2.2.2.2 Pages 16 & 17 of Audit Report for the year 2011-12, Non-recovery of security deposit from owner of building – Rs. 0.585 million

29.05.2015: The Department explained that the matter regarding recovery of security deposit was subjudice in the court.

The para was kept pending till decision of the court with the directions/recommendations that efforts be made to resolve the issue at the earliest

18.03.2016: The Department explained that subject matter was still subjudice in the court.

The **para was accordingly kept pending.**

Report of PAC-II (2011-12)

13. **Para No.2.2.2.3 Pages 17 & 18 of Audit Report for the year 2011-12, Irregular payment to schools on pick and choose basis having students more than maximum limit – Rs. 1.735 million**
-
14. **Para No.2.2.2.5 Pages 20 & 21 of Audit Report for the year 2011-12, Irregular purchase of durable goods, equipments and vehicles – Rs. 3.278 million**
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29.05.2015: The Department explained that necessary action had been taken in respect of above Audit observations and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

15. **Para No.2.2.2.4 Pages 18 to 20 of Audit Report for the year 2011-12, Expected loss on account of LDA penalty due to non construction of office building – Rs. 18.916 million**
-

29.05.2015: The Department explained that summary had been moved to Lahore Development Authority for seeking waive off sanction of the building period surcharge.

The para was kept pending with the directions/recommendations that PAO should take up the matter with LDA.

18.03.2016: The Department explained that summary for seeking waive off sanction of the surcharge, was still under process.

The **para was kept pending** with the directions/recommendations that matter be finalized within 15 days.

GENERAL DIRECTIONS/RECOMMENDATIONS

25.09.2014: The Committee observed that Vice Chancellor, Lahore College for Women University Lahore was absent from the meeting whereas she was present in her office. The Committee expressed its serious concern on her absence and directed/recommended that her presence be ensured on the following day. The Committee further noticed that several other heads of institutions did not attend the meeting without any intimation/approval and therefore, directed/recommended that Administrative Secretary should convey displeasure of the Committee to all such officers and matter should also be reported to the Additional Chief Secretary Punjab for further necessary action.

29.05.2015: On commencement of the meeting of the Public Accounts Committee-II held on 29.05.2015, the Committee observed that the working papers specially those of Appropriation Accounts had not been compiled in accordance with the prescribed format. Moreover, the working papers had been submitted very late, almost few hours before the commencement of the meeting. It was further observed that similar lapses had been repeated noticed in past.

Report of PAC-II (2011-12)

However, keeping in view the recent posting of Secretary Higher Education, the Committee warned that aforesaid lapses should be strictly avoided in future and further directed /recommended that its displeasure be conveyed to the concerned officer for their casual attitude towards PAC business.

ENERGY

The Committee examined the Accounts and Audit Paras of the Energy Department in its meetings held on 26.09.2014, 29.01.2015 & 27.11.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21008 (008) Other Taxes and Duties (All Voted) Page 91 of Appropriation Accounts for the year 2011-12

01 General Public Service
 011 Executive & Legislative Organs Financial
 0112 Financial & Fiscal Affairs
 011205 Tax Management (Custom, I.Tax, Excise) & Taxation Department
LQ5320 Charges Under Electricity Act

Final Grant		Rs.118,546,000/-
Actual Expenditure		Rs. 93,082,315/-
Saving	(-)	Rs. 25,463,685/-
Percentage		21.48%

29.01.2015: The Department explained that saving had occurred because several posts were lying vacant as the Department was newly established while funds allocated for purchase of durable goods could not be utilized due to shortage of time.

The Committee **settled the item** with the directions/recommendations that surplus funds should be timely surrendered in future and financial controls be strengthened to avoid such lapses in future.

2. Grant No. PC21010/PC24010 (010) General Administration Page 92 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
 043 Fuel & Energy
 0437 Others
 043701 Energy Department
LQ4905 Energy Department

Final Grant		Rs.32,879,000/-
Actual Expenditure		Rs.25,414,478/-
Saving	(-)	Rs. 7,464,522/-
Percentage		22.70%

29.01.2015: The Department explained that saving had occurred because most of the posts were lying vacant as the Department was newly established in July 2011. It was added that funds allocated for 'service charges' could not be utilized because hiring of the consultants was under process which could not be completed till the end of financial year.

The Committee **settled the item** with the directions/recommendations that surplus funds should be timely surrendered in future.

3. Grant No. PC22036 (036) Development: (All Voted) Pages 93 & 94 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
 043 Fuel & Energy
 0437 Others
 043701 Administration
LE4367 Energy Department

Final Grant		Rs.25,700,000/-
Actual Expenditure		Rs.22,876,972/-
Saving	(-)	Rs. 2,823,028/-
Percentage		10.98%

29.01.2015: The Department explained that saving had occurred due to vacant posts while the recruitment was under process.

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

4. Grant No. PC12037 (037) Irrigation Works: (Development) (All Voted) Page 95 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
 043 Fuel & Energy
 0435 Electricity Hydal
 043502 Electricity Hydal
LE4401 Electricity Hydal (PMU)

	<u>AG Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.530,000,000/-		Rs.530,000,000/-
Actual Expenditure	Rs.200,170,970/-		Rs.540,807,908/-
Saving	(-) Rs.329,829,030/-	(-)	Rs. 9,829,030/-
Percentage	62.23%		4.68%

29.01.2015: The Department explained that saving was on account of funds which pertained to Government of Punjab share for mobilization advance and LC charges of foreign aided projects. The donor share was directly paid to the consultant by the ADB. The funds lapsed due to delay in approval of the projects by the ADB.

The Committee settled the item with the directions/recommendations that matter regarding direct payments to the consultant by the donors should be examined by the Finance Department as to why such funds were not being accounted for by the Government. It was further directed/recommended that a comprehensive report regarding such practices in all other Departments should be furnished by the Secretary, Finance Department within 60 days for consideration by the PAC.

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27.11.2015: The Department explained that saving had occurred due to delay in approval of the projects by the ADB and funds pertained to foreign aid which was not released in cash.

The Committee expressed its displeasure on absence of Principal Accounting Officer without prior intimation to the PAC and late submission of working papers by the Energy Department.

The **item was settled** with the directions/recommendations that aforesaid lapses should be strictly avoided in future.

AUDIT PARAS (REVENUE RECEIPTS) FOR THE YEAR 2011-12

1. **Para No.5.4.1 Pages 80 & 81 of Audit Report for the year 2011-12, Loss of government revenue due to non-recovery of electricity duty along with penalty – Rs.38.883 million**
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5.4.1.1 PDP Nos. 14546 & 14548, Electric Inspector, Multan

5.4.1.2 PDP No. 14620, Electric Inspector, Faisalabad

5.4.1.3 PDP No. 14701, Electric Inspector, Lahore

5.4.1.4 PDP No. 14766, Electric Inspector, Gujranwala

2. **Para No.5.4.2 Pages 81 & 82 of Audit Report for the year 2011-12, Loss due to short-realization of electricity duty on old rates – Rs.0.956 million**
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5.4.2.1 PDP Nos. 14547, Electric Inspector, Multan

5.4.2.2 PDP No. 14621, Electric Inspector, Faisalabad

5.4.2.3 PDP No. 14700, Electric Inspector, Lahore

5.4.2.4 PDP No. 14767, Electric Inspector, Gujranwala

29.01.2015: The Department explained that demand for electricity duty had been raised well in time and hectic efforts were being made for recovery. However, the matter was subjudice in the court.

The **above paras were kept pending** with the directions/recommendations that dedicated legal officers be deputed for perusal of cases and legal wing of the Department should be strengthened.

GENERAL OBSERVATIONS/RECOMMENDATIONS

26.09.2014: The Committee noticed that working papers had been submitted to the PAC just few hours before the commencement of meeting. The Committee therefore, adjourned the meeting without transaction of any business relating to Energy Department with the directions that timely submission of working papers on prescribed format, must be ensured in future.

Social Welfare, Women Development & Bait-ul-Maal Department

EXCISE & TAXATION

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Excise & Taxation Department in its meeting held on 28.04.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21001 (001) Opium (All Voted) Page 113 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
044 Mining and Manufacturing
0441 Manufacturing
044120 Others
LQ4001 Opium Factory

Final Grant		Rs.4,060,000/-
Actual Expenditure		Rs.3,980,700/-
Saving	(-)	Rs. 79,300/-
Percentage		1.95%

28.04.2015: The Department explained that some posts were lying vacant due to posting/transfers which resulted in lapse of funds while excess expenditure against the sub-head A011-2 was inevitable for payment of salaries.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

2. Grant No. PC21003 (003) Provincial Excise (All Voted) Pages 114 to 116 of Appropriation Accounts for the year 2011-12

(i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4005 Direction

Final Grant		Rs.70,509,000/-
Actual Expenditure		Rs.66,398,731/-
Saving	(-)	Rs. 4,110,269/-
Percentage		5.83%

(ii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4007 Excise Bureau

Final Grant		Rs.6,390,000/-
Actual Expenditure		Rs.6,173,880/-
Saving	(-)	Rs. 216,120/-
Percentage		3.38%

28.04.2015: The Department explained that saving had occurred due to some vacant posts and lesser expenditure on account of utilities.

The Committee **settled the above items** with the directions that surplus funds should be timely surrendered in future.

- (iii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4006 Cost of Manufacturing Opium Tablets

Final Grant		Rs.11,700,000/-
Actual Expenditure		Rs. 6,085,468/-
Saving	(-)	Rs. 5,614,532/-
Percentage		47.99%

28.04.2015: The Department explained that funds were retained for incurring any unexpected expenditure on manufacturing of opium tablets.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for not surrendering the surplus funds.

Subject to above directions, **the item was settled.**

3. Grant No. PC21007 (007) Charges on Account of Motor Vehicles Act (All Voted) Page 117 of Appropriation Accounts for the year 2011-12

- 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4017 Registration and Token Tax

Final Grant		Rs.35,032,000/-
Actual Expenditure		Rs.33,406,452/-
Saving	(-)	Rs. 1,625,548/-
Percentage		4.64%

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4. Grant No. PC21008 (008) Other Taxes and Duties (All Voted) Pages 118 & 119 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4021 Cotton Fee

Final Grant		Rs.1,875,000/-
Actual Expenditure		Rs.1,450,207/-
Saving	(-)	Rs. 424,793/-
Percentage		22.66%

28.04.2015: The Department explained that saving had occurred because several posts were lying vacant.

The Committee **settled the above items** with the direction/recommendations that surplus funds should be timely surrendered in future.

- (ii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4022 Urban Immovable Property Tax

Final Grant		Rs.200,823,000/-
Actual Expenditure		Rs. 42,442,177/-
Saving	(-)	Rs.158,380,823/-
Percentage		78.87%

28.04.2015: The Department explained that excess expenditure against the sub-head A03 had been wrongly depicted while bulk of the saving, under the sub-head A05 was due to late release of funds allocated for honorarium to employees which could not be distributed due to non-fulfillment of codal formalities.

The Committee directed/recommended that an enquiry be conducted to thrash out the matter as to why the surplus funds were not surrendered and whether any negligence was involved.

The **item was conditionally settled** subject to above directions.

- (iii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I. Tax, Excise) & Taxation Department
LQ4023 Charges in Connection with Tobacco Duties

Final Grant		Rs.623,000/-
Actual Expenditure		-----Nil-----
Saving	(-)	Rs.623,000/-
Percentage		100.00%

28.04.2015: The representative of AG informed that reconciliation was carried out late by the Department which revealed that bulk of the allocated funds had been utilized and there was saving of Rs.1000/- only.

The explanation of the Department was accepted and **the item was settled.**

5. Grant No. PC21010/PC24010 (010) General Administration Page 120 of Appropriation Accounts for the year 2011-12

01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial and Fiscal Affairs
011205 Tax Management (Custom, Income Tax, Excise) and Taxation Department
LQ4067 Excise and Taxation Department

Final Grant		Rs.33,848,000/-
Actual Expenditure		Rs.32,177,014/-
Saving	(-)	Rs. 1,670,986/-
Percentage		4.94%

28.04.2015: The Department explained that several posts were lying vacant which resulted in lapse of funds.

The Committee directed/recommended that proper explanation for saving/excess should be incorporated in workings papers against each sub-head and excess expenditure against the sub-head A011-1be got regularized by the Finance Department.

Subject to above directions/recommendations, the **item was conditionally settled.**

AUDIT PARAS (REVENUE RECEIPTS) FOR THE YEAR 2011-12

1. Para No.1.4.1 Pages 7, 8 & 99 of Audit Report for the year 2011-12; Non-realization of arrears of property tax – Rs. 24.681 million

- (i) PDP No. 14254 ETO, Zone-XI, Lahore – Rs. 677,592/-
- (ii) PDP No. 14262 ETO, Zone-VI, Lahore – Rs. 192,331/-
- (iii) PDP No. 14269 ETO, Zone-X, Lahore – Rs. 8,093/-
- (iv) PDP No. 14288 ETO, Zone-VII, Lahore – Rs. 928,114/-
- (v) PDP No. 14289 ETO, Zone-XII, Lahore – Rs. 279,579/-
- (vi) PDP No. 14397 ETO, Rawalpindi – Rs. 2,430,074/-
- (vii) PDP No. 14405 ETO, Faisalabad-I – Rs. 346,383/-
- (viii) PDP No. 14410 ETO, Zone-V, Lahore – Rs. 1,593,829/-
- (ix) PDP No. 14416 ETO, Muzaffar Garh – Rs. 87,180/-
- (x) PDP No. 14421 ETO, Faisalabad-I – Rs. 188,364/-
- (xi) PDP No. 14423 ETO, Faisalabad-II – Rs. 1,462,466/-
- (xii) PDP No. 14424 ETO, Faisalabad-II – Rs. 145,978/-
- (xiii) PDP No. 14428 ETO, Zone-V, Lahore – Rs. 1,419,657/-
- (xiv) PDP No. 14431 ETO, Multan-II – Rs. 1,529,820/-
- (xv) PDP No. 14440 ETO, Multan-III – Rs. 800,159/-
- (xvi) PDP No. 14450 ETO, Jhelum – Rs. 445,116/-
- (xvii) PDP No. 14469 ETO, Zone-IV, Lahore – Rs. 1,428,591/-
- (xviii) PDP No. 14475 ETO, Rawalpindi (Excise) – Rs. 14,795/-
- (xix) PDP No. 14545 ETO, Okara – Rs. 384,029/-
- (xx) PDP No. 14551 ETO, Multan-I – Rs. 1,781,028/-
- (xxi) PDP No. 14571 ETO, Sheikhpura – Rs. 151,315/-
- (xxii) PDP No. 14581 ETO, Zone-VI, Lahore – Rs. 155,739/-
- (xxiii) PDP No. 14593 ETO, Sialkot – Rs. 187,778/-
- (xxiv) PDP No. 14659 ETO, Chiniot – Rs. 116,121/-
- (xxv) PDP No. 14677 ETO, Zone-VIII, Lahore – Rs. 175,050/-
- (xxvi) PDP No. 14695 ETO, Zone-VII, Lahore – Rs. 657,818/-
- (xxvii) PDP No. 14702 ETO, Rahim Yar Khan – Rs. 93,796/-
- (xxviii) PDP No. 14712 ETO, Bhawalnagar – Rs. 32,923/-
- (xxix) PDP No. 14721 ETO, Khanewal – Rs. 1,108,096/-
- (xxx) PDP No. 14768 ETO, Gujranwala-I – Rs. 269,481/-
- (xxxi) PDP No. 14785 ETO, Zone-IX, Lahore – Rs. 1,595,116/-
- (xxxii) PDP No. 14821 ETO, Toba tek Singh – Rs. 427,568/-
- (xxxiii) PDP No. 14830 ETO, Gujranwala-II – Rs. 110,982/-
- (xxxiv) PDP No. 14833 ETO, Mandi Bhaudin – Rs. 501,272/-

28.04.2015: The Department explained that total outstanding amount had been recovered/reconciled and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.** The Committee also appreciated the Department for remarkable recoveries.

(xxxv) PDP No. 14374 ETO, Zone-III, Lahore – Rs. 846,275/-

28.04.2015: The Department explained that partial recovery had been effected while case for balance amount was pending with the Company Judge.

The **para was kept pending** with the directions that its amount be reduced to the extent of recovery verified by Audit.

(xxxvi) PDP No. 14460 ETO, Vehari – Rs. 1,041,781/-

28.04.2015: The Department explained that total outstanding amount had been recovered/reconciled which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

(xxxvii) PDP No. 14580 ETO, Zone-VI, Lahore – Rs. 1,066,407/-

28.04.2015: The Department explained that partial recovery had been effected while balance amount was subjudice in the High Court.

Being subjudice, **the para was kept pending.**

2. Para No.1.4.2 Pages 8, 9 & 100 of Audit Report for the year 2011-12; Non-recovery of property tax due to non-issuance of demand notices to the state owned organizations – Rs. 21.606 million

- (i) PDP No. 14257 ETO, Zone-XI, Lahore – Rs. 31,590/-
- (ii) PDP No. 14274 ETO, Zone-X, Lahore – Rs. 21,858/-
- (iii) PDP No. 14292 ETO, Zone-XII, Lahore – Rs. 450,446/-
- (iv) PDP No. 14373 ETO, Zone-III, Lahore – Rs. 12,355/-
- (v) PDP No. 14417 ETO, Muzaffar Garh – Rs. 155,840/-
- (vi) PDP No. 14429 ETO, Zone-V, Lahore – Rs. 1,712,957/-
- (vii) PDP No. 14436 ETO, Multan-II – Rs. 84,982/-
- (viii) PDP No. 14441 ETO, Multan-III – Rs. 63,930/-
- (ix) PDP No. 14442 ETO, Multan-III – Rs. 818,544/-
- (x) PDP No. 14451 ETO, Jhelum – Rs. 402,340/-
- (xi) PDP No. 14470 ETO, Zone-IV, Lahore – Rs. 146,205/-
- (xii) PDP No. 14553 ETO, Multan-I – Rs. 286,121/-
- (xiii) PDP No. 14557 ETO, Multan-I – Rs. 75,348/-
- (xiv) PDP No. 14573 ETO, Sheikhpura – Rs. 234,213/-
- (xv) PDP No. 14786 ETO, Zone-IX, Lahore – Rs. 657,194/-

28.04.2015: The Department explained that total outstanding amount had been recovered/reconciled and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

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(xvi) PDP No. 14400 ETO, Rawalpindi – Rs. 1,456,392/-

28.04.2015: The Department explained that partial recovery had been effected while balance amount was outstanding against WAPDA and RDA. It was added that matter regarding WAPDA was subjudice in the Supreme Court.

The **para was kept pending** with the directions/recommendations that cases of balance recovery be pursued vigorously.

(xvii) PDP No. 14402 ETO, Faisalabad-I – Rs. 503,942/-

(xviii) PDP No. 14406 ETO, Faisalabad-II – Rs. 2,052,913/-

(xix) PDP No. 14461 ETO, Vehari – Rs. 431,323/-

(xx) PDP No. 14481 ETO, Rawalpindi (Excise) – Rs. 54,088/-

(xxi) PDP No. 14538 ETO, Okara – Rs. 147,567/-

(xxii) PDP No. 14584 ETO, Zone-VI, Lahore – Rs. 6,511,219/-

(xxiii) PDP No. 14595 ETO, Sialkot – Rs. 86,704/-

(xxiv) PDP No. 14663 ETO, Chiniot – Rs. 296,325/-

(xxv) PDP No. 14703 ETO, Rahim Yar Khan – Rs. 332,306/-

(xxvi) PDP No. 14716 ETO, Bahwalnagar – Rs. 105,043/-

(xxvii) PDP No. 14724 ETO, Khanewal – Rs. 205,536/-

(xxviii) PDP No. 14765 ETO, Zone-VII, Lahore – Rs. 585,717/-

(xxix) PDP No. 14770 ETO, Gujranwala-I – Rs. 158,795/-

(xxx) PDP No. 14823 ETO, Toba tek singh – Rs. 42,591/-

(xxxi) PDP No. 14826 ETO, Zone-II, Gujranwala-II – Rs. 2,109,586/-

28.04.2015: The Department explained that partial recovery had been effected while balance amount was outstanding against WAPDA and the matter was subjudice in the court.

The **paras were kept pending** with the directions that their amount be reduced to the extent of recovery verified by Audit.

(xxxii) PDP No. 14679 ETO, Zone-VIII, Lahore – Rs. 1,371,821/-

28.04.2015: The Department explained that partial recovery had been effected while matter regarding balance recovery against Punjab Board of Technical Education was subjudice in the court.

The **para was kept pending** with the directions that it amount be reduced to the extent of recovery verified by Audit.

3. Para No.1.4.3 Pages 9 & 10 of Audit Report for the year 2011-12; Non-realization of property tax due to issuance of stay orders by Courts – Rs.18.856 million

- (i) PDP No. 14273 ETO, Zone-X, Lahore – Rs. 767,769/-
- (ii) PDP No. 14790 ETO, Zone-IX, Lahore – Rs. 109,358/-

28.04.2015: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

- (iii) PDP No. 14372 ETO, Zone-III, Lahore – Rs. 17,979,165/-

28.04.2015: The Department explained that partial recovery had been effected while case for balance amount was subjudice in the High Court.

Being subjudice, **the para was kept pending.**

4. Para No.1.4.4 Pages 10 & 11 of Audit Report for the year 2011-12; Non-realization of Income Tax on commercial vehicles – Rs. 5.552 million

- (i) PDP No. 14454 ETO, Jhelum – Rs. 84,900/-
- (ii) PDP No. 14499 ETO, Faisalabad-III – Rs. 1,611,280/-
- (iii) PDP No. 14518 ETO, Tie up, Lahore – Rs. 2,736,425/-
- (iv) PDP No. 14532 ETO, Multan-III – Rs. 436,140/-
- (v) PDP No. 14536 ETO, Okara – Rs. 440,550/-
- (vi) PDP No. 14572 ETO, Sheikhpura – Rs. 121,500/-
- (vii) PDP No. 14878 ETO, T.T. Singh – Rs. 47,100/-
- (viii) PDP No. 14882 ETO, Bahawalnagar – Rs. 35,267/-
- (ix) PDP No. 14883 ETO, Khanewal – Rs. 38,435/-

5. Para No.1.4.5 Pages 11, 12 & 101-102 of Audit Report for the year 2011-12; Non-realization of token tax from motor vehicle owners – Rs. 6.295 million

- (i) PDP No. 14419 ETO, Muzaffar Garh – Rs. 57,410/-
- (ii) PDP No. 14444 ETO, Multan-III – Rs. 254,180/-
- (iii) PDP No. 14452 ETO, Jhelum – Rs. 142,055/-
- (iv) PDP No. 14498 ETO, Faisalabad-III – Rs. 753,550/-
- (v) PDP No. 14519 ETO, Tie Up Lahore – Rs. 2,054,960/-
- (vi) PDP No. 14535 ETO, Okara – Rs. 409,055/-
- (vii) PDP No. 14574 ETO, Sheikhpura – Rs. 63,110/-
- (viii) PDP No. 14665 ETO, Chiniot – Rs. 97,795/-
- (ix) PDP No. 14713 ETO, Bahawalnagar – Rs. 139,325/-
- (x) PDP No. 14723 ETO, Khanewal – Rs. 227,340/-
- (xi) PDP No. 14825 ETO, Toba Take sing – Rs. 136,400/-

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- (xii) PDP No. 14828 ETO, Gujranwala-II – Rs. 415,334/-
- (xiii) PDP No. 14836 ETO, Mandi Bahudin – Rs. 85,397/-
- (xiv) PDP No. 14873 ETO, Mandi Bahudin – Rs. 315,100/-
- (xv) PDP No. 14875 ETO, Gujranwala-II – Rs. 892,825/-

28.04.2015: The Department explained that entire outstanding amount had been recovered/ reconciled and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

- (xvi) PDP No. 14462 ETO, Vehari – Rs. 250,771/-

28.04.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

6. Para No.1.4.6 Pages 13 & 102 of Audit Report for the year 2011-12; Loss of revenue due to non-realization of professional tax – Rs. 5.229 million

- (i) PDP No. 14250 ETO, Professional Tax, Lahore – Rs. 61,000/-
- (ii) PDP No. 14251 ETO, Professional Tax, Lahore – Rs. 20,000/-
- (iii) PDP No. 14427 ETO, Faisalabad-II – Rs. 274,000/-
- (iv) PDP No. 14432 ETO, Multan-II – Rs. 1,577,000/-
- (v) PDP No. 14443 ETO, Multan-II – Rs. 16,400/-
- (vi) PDP No. 14455 ETO, Jhelum – Rs. 79,000/-
- (vii) PDP No. 14476 ETO, Rawalpindi (Excise) – Rs. 591,000/-
- (viii) PDP No. 14478 ETO, Rawalpindi (Excise) – Rs. 133,000/-
- (ix) PDP No. 14501 ETO, Faisalabad-III – Rs. 21,000/-
- (x) PDP No. 14521 ETO, Tie Up Lahore – Rs. 172,350/-
- (xi) PDP No. 14539 ETO, Okara – Rs. 68,000/-
- (xii) PDP No. 14544 ETO, Okara – Rs. 5,400/-
- (xiii) PDP No. 14570 ETO, Sheikhpura – Rs. 84,000/-
- (xiv) PDP No. 14661 ETO, Chiniot – Rs. 53,000/-
- (xv) PDP No. 14722 ETO, Khanewal – Rs. 397,800/-
- (xvi) PDP No. 14757 ETO, Rahim Yar Khan – Rs. 17,000/-
- (xvii) PDP No. 14822 ETO, Toba Tek Singh – Rs. 152,100/-
- (xviii) PDP No. 14831 ETO, Gujranwala-II – Rs. 34,350/-
- (xix) PDP No. 14834 ETO, Mandi Bhaudin – Rs. 203,000/-
- (xx) PDP No. 14865 ETO, Khanewal – Rs. 13,200/-

28.04.2015: The Department explained that entire outstanding amount had been reconciled/ recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

(xxi) PDP No. 14463 ETO, Vehari – Rs. 284,000/-

28.04.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit.

(xxii) PDP No. 14490 ETO, Muzaffar Garh – Rs. 844,000/-

28.04.2015: The Department explained that partial recovery had been effected while case for balance amount was subjudice in the High Court.

Being subjudice, the para was kept pending.

(xxiii) PDP No. 14536 ETO, Okara – Rs. 128,075/-

28.04.2015: Audit apprised that para had been printed in duplicate, erroneously.

The para was accordingly deleted.

7. Para No.1.4.7 Pages 14, 15 & 103 of Audit Report for the year 2011-12; Non-realization of arrears of property tax relating to 5 Marla Houses – Rs. 2.883 million

- (i) PDP No. 14258 ETO, Zone-XI, Lahore – Rs. 72,385/-
- (ii) PDP No. 14294 ETO, Zone-VII, Lahore – Rs. 284,448/-
- (iii) PDP No. 14295 ETO, Zone-VII, Lahore – Rs. 297,462/-
- (iv) PDP No. 14403 ETO, Faisalabad-I – Rs. 44,229/-
- (v) PDP No. 14408 ETO, Faisalabad-II – Rs. 115,604/-
- (vi) PDP No. 14411 ETO, Zone-V, Lahore – Rs. 50,898/-
- (vii) PDP No. 14435 ETO, Multan-II – Rs. 106,639/-
- (viii) PDP No. 14445 ETO, Multan-III – Rs. 35,489/-
- (ix) PDP No. 14456 ETO, Jhelum – Rs. 33,254/-
- (x) PDP No. 14556 ETO, Multan-I – Rs. 60,661/-
- (xi) PDP No. 14576 ETO, Sheikhpura – Rs. 61,975/-
- (xii) PDP No. 14582 ETO, Zone-VI, Lahore – Rs. 20,260/-
- (xiii) PDP No. 14586 ETO, Zone-VI, Lahore – Rs. 8,262/-
- (xiv) PDP No. 14682 ETO, Zone-VIII, Lahore – Rs. 23,742/-
- (xv) PDP No. 14697 ETO, Zone-VII, Lahore – Rs. 135,960/-
- (xvi) PDP No. 14725 ETO, Khanewal – Rs. 51,745/-
- (xvii) PDP No. 14771 ETO, Gujranwala-I – Rs. 104,213/-
- (xviii) PDP No. 14789 ETO, Zone-IX, Lahore – Rs. 47,405/-
- (xix) PDP No. 14824 ETO, Toba Tek Singh – Rs. 34,694/-
- (xx) PDP No. 14838 ETO, Mandi Bhauddin – Rs. 37,574/-

8. Para No.1.4.8 Pages 15, 16 & 104 of Audit Report for the year 2011-12; Loss of property tax due to non-consolidation of property units owned by same persons – Rs. 1.925 million

- (i) PDP No. 14255 ETO, Zone-XI, Lahore – Rs. 410,252/-
- (ii) PDP No. 14272 ETO, Zone-X, Lahore – Rs. 104,875/-
- (iii) PDP No. 14290 ETO, Zone-VII, Lahore – Rs. 113,900/-
- (iv) PDP No. 14409 ETO, Zone-V, Lahore – Rs. 77,025/-
- (v) PDP No. 14422 ETO, Faisalabad-I – Rs. 15,685/-
- (vi) PDP No. 14425 ETO, Faisalabad-II – Rs. 163,038/-
- (vii) PDP No. 14437 ETO, Multan-II – Rs. 51,342/-
- (viii) PDP No. 14446 ETO, Multan-III – Rs. 36,292/-
- (ix) PDP No. 14540 ETO, Okara – Rs. 49,986/-
- (x) PDP No. 14554 ETO, Multan-I – Rs. 104,774/-
- (xi) PDP No. 14575 ETO, Sheikhpura – Rs. 127,308/-
- (xii) PDP No. 14583 ETO, Zone-VI, Lahore – Rs. 70,305/-
- (xiii) PDP No. 14662 ETO, Chiniot – Rs. 18,790/-
- (xiv) PDP No. 14680 ETO, Zone-VIII, Lahore – Rs. 40,665/-
- (xv) PDP No. 14698 ETO, Zone-VII, Lahore – Rs. 70,862/-
- (xvi) PDP No. 14706 ETO, Rahim Yar Khan – Rs. 11,130/-
- (xvii) PDP No. 14727 ETO, Khanewal – Rs. 24,401/-
- (xviii) PDP No. 14769 ETO, Gujranwala-I – Rs. 72,130/-
- (xix) PDP No. 14787 ETO, Zone-IX, Lahore – Rs. 225,045/-
- (xx) PDP No. 14832 ETO, Gujranwala-II – Rs. 18,378/-
- (xxi) PDP No. 14835 ETO, Mandi Bhauddin – Rs. 118,953/-

28.04.2015: The Department explained that entire outstanding amount had been recovered/ reconciled and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

9. Para No.1.4.7 Pages 14, 15 & 103 of Audit Report for the year 2011-12; Non-realization of arrears of property tax relating to 5 Marla Houses – Rs. 2.883 million

PDP No. 14398 ETO, Rawalpindi – Rs. 1,255,631/-

28.04.2015: The Department explained that partial recovery had been effected while efforts were being made for balance recovery. Meanwhile, a summary had also been moved to the Chief Minister, to resolve the issue.

The **para was kept pending** with the directions that its amount be reduced to the extent of recovery verified by Audit.

10. Para No.1.4.9 Pages 16, 17 & 105 of Audit Report for the year 2011-12; Unauthentic exemptions granted to widows for property tax – Rs. 1.867 million

- (i) PDP No. 14399 ETO, Rawalpindi – Rs. 779,518/-
- (ii) PDP No. 14404 ETO, Faisalabad-I – Rs. 41,376/-
- (iii) PDP No. 14412 ETO, Zone-V, Lahore – Rs. 103,318/-
- (iv) PDP No. 14415 ETO, Muzaffar Garh – Rs. 40,121/-
- (v) PDP No. 14473 ETO, Zone-IV, Lahore – Rs. 105,425/-
- (vi) PDP No. 14585 ETO, Zone-VI, Lahore – Rs. 154,394/-
- (vii) PDP No. 14681 ETO, Zone-VIII, Lahore – Rs. 31,487/-
- (viii) PDP No. 14699 ETO, Zone-VII, Lahore – Rs. 100,509/-
- (ix) PDP No. 14726 ETO, Khanewal – Rs. 140,188/-
- (x) PDP No. 14820 ETO, Toba Tek Sing – Rs. 370,768/-

28.04.2015: The Department explained that entire outstanding amount had been reconciled/ recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled** with the directions/recommendations that action should be taken against the responsible officers/ officials in cases where wrong exemptions were granted and recoveries were effected latterly.

11. Para No.1.4.10 Pages 17 & 18 of Audit Report for the year 2011-12; Loss of Government revenue due to non-realization of cotton fee along with penalty – Rs.1.692 million

- (i) PDP No. 14465 ETO, Vehari – Rs. 25,062/-

28.04.2015: The Department explained that entire outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

- (ii) PDP No. 14728 ETO, Khanewal – Rs. 1,667,378/-

28.04.2015: The Department explained that a sum of Rs.1,000/- had been recovered while balance amount of Rs.1,666,378/- was not due as penalty was waived off by the ETO.

The Committee **settled the para** with the directions/recommendations that PAO should examine the matter to ascertain that no malafide intention was involved in the subject case.

12. Para No.1.4.11 Pages 18, 19 & 105 of Audit Report for the year 2011-12; Loss of government revenue due to non carrying forward arrears of property tax – Rs.1.196 million

- (i) PDP No. 14263 ETO, Zone-VI, Lahore – Rs. 34,381/-
- (ii) PDP No. 14271 ETO, Zone-X, Lahore – Rs. 71,627/-
- (iii) PDP No. 14291 ETO, Zone-VII, Lahore – Rs. 337,895/-
- (iv) PDP No. 14401 ETO, Rawalpindi – Rs. 65,652/-
- (v) PDP No. 14414 ETO, Muzaffar Garh – Rs. 4,947/-
- (vi) PDP No. 14438 ETO, Multan-II – Rs. 9,483/-
- (vii) PDP No. 14457 ETO, Jhelum – Rs. 16,496/-
- (viii) PDP No. 14466 ETO, Vehari – Rs. 59,255/-
- (ix) PDP No. 14480 ETO, Rawalpindi (Excise) – Rs. 18,314/-
- (x) PDP No. 14542 ETO, Okara – Rs. 41,743/-
- (xi) PDP No. 14678 ETO, Zone-VIII, Lahore – Rs. 232,049/-
- (xii) PDP No. 14819 ETO, Toba tek Singh – Rs. 56,554/-
- (xiii) PDP No. 14839 ETO, Mandi Bahuddin – Rs. 23,510/-

28.04.2015: The Department explained that entire outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.** The Committee directed/recommended that Audit of Divisional Headquarters must be ensured.

- (xiv) PDP No. 14696 ETO, Zone-VII, Lahore– Rs. 224,054/-

28.04.2015: The Department explained that bulk of the outstanding amount had been recovered leaving a balance of Rs.6,813/-.

The para was reduced to the extent of recovery verified by Audit with the directions/recommendations that balance amount should be recovered within 15 days.

The para was kept pending.

13. Para No.1.4.12 Pages 19 & 20 of Audit Report for the year 2011-12; Short-realization of property tax due to inadmissible exemptions – Rs. 1.330 million

- (i) PDP No. 14275 Excise and Taxation Office, Zone, X, Lahore – Rs.42,510/-
- (ii) PDP No. 14293 Excise and Taxation Office, Zone-VII, Lahore – Rs.34,425/-
- (iii) PDP No. 14552 Excise and Taxation Office, Multan-I – Rs.1,252,646/-

14. Para No.1.4.13 Pages 20 to 22 of Audit Report for the year 2011-12; Short-realization of property tax due to mis-calculation – Rs. 0.498 million

- (i) PDP No. 14259 ETO, Zone-XI, Lahore – Rs. 11,443/-
- (ii) PDP No. 14276 ETO, Zone-X, Lahore – Rs. 11,648/-
- (iii) PDP No. 14430 ETO, Faisalabad-I – Rs. 21,871/-

- (iv) PDP No. 14434 ETO, Multan-II – Rs. 105,576/-
- (v) PDP No. 14464 ETO, Vehari – Rs. 164,558/-
- (vi) PDP No. 14474 ETO, Zone-IV, Lahore – Rs. 15,461/-
- (vii) PDP No. 14541 ETO, Okara – Rs. 33,409/-
- (viii) PDP No. 14558 ETO, Multan-I – Rs. 32,411/-
- (ix) PDP No. 14872 ETO, Mandi Bahuddin – Rs. 102,000/-

15. Para No.1.4.14 Pages 22 & 23 of Audit Report for the year 2011-12; Short-realization of property tax due to application of incorrect rates – Rs. 0.311 million

- (i) PDP No. 14260 ETO, Zone-XI, Lahore – Rs. 34,759/-
- (ii) PDP No. 14396 ETO, Rawalpindi – Rs. 260,514/-
- (iii) PDP No. 14472 ETO, Zone-IV, Lahore – Rs. 10,364/-
- (iv) PDP No. 14534 ETO, Okara – Rs. 5,861/-

16. Para No.1.4.15 Pages 23 & 24 of Audit Report for the year 2011-12; Short-realization of property tax due to incorrect application of assessment orders– Rs.0.207 million

- (i) PDP No. 14537 ETO, Okara – Rs. 197,640/-
- (ii) PDP No. 14874 ETO, Gujranwala – Rs. 9,504/-

17. Para No.1.4.16 Pages 24 to 26 of Audit Report for the year 2011-12; Loss of Government revenue due to short/non carrying forward of actual annual rental value from PT-I to PT-8 – Rs. 0.182 million

- (i) PDP No. 14467 ETO, Vehari – Rs. 68,840/-
- (ii) PDP No. 14542 ETO, Okara – Rs. 30,875/-
- (iii) PDP No. 14772 ETO, Gujranwala-I – Rs. 42,636/-
- (iv) PDP No. 14837 ETO, Mandi Bahuddin – Rs. 39,375/-

28.04.2015: The Department explained that entire outstanding amount had been reconciled/ recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

Social Welfare, Women Development & Bait-ul-Maal Department

FINANCE

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts of the Finance Department in its meeting held on 25.11.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Pages 125 to 129 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011204 Administration of Financial Affairs
LQ4066 Finance Department

Final Grant		Rs.4,029,401,000/-
Actual Expenditure		Rs.3,960,987,385/-
Saving	(-)	Rs. 68,413,615/-
Percentage		1.70%

25.11.2015: The Department explained that saving against various sub-heads was less than 5%.

The Committee expressed its displeasure on departmental explanation in working papers in clear violation of directions of PAC and directed/recommended that proper explanation for saving/excess against each sub-head must be ensured in future.

With the above directions, **the item was settled.**

- (ii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011204 Administration of Financial Affairs
LQ5293 Provincial Finance Commission

Final Grant		Rs.7,210,000/-
Actual Expenditure		Rs.7,231,798/-
Excess	(+)	Rs. 21,798/-
Percentage		0.30%

25.11.2015: The Representative of Accountant General Punjab stated that budget amounting to Rs.3.15 million had been released in the system against the sub-head A03 but it was not reflected correctly in the budget book. As such, expenditure was within the allocation.

The Committee observed that concerned departmental representatives were not at all prepared for the meeting. However, taking a lenient view the Committee **settled the item** subject to reconciliation of accounts.

- (iii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011206 Accounting Services
LQ4100 Inspectorate of Treasuries & Accounts

Final Grant		Rs.12,567,000/-
Actual Expenditure		Rs.11,878,636/-
Saving	(-)	Rs. 688,364/-
Percentage		5.48%

25.11.2015: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-heads A011-1 and A012-1 had been incurred due to transfer/posting of certain officers after submission of 2nd statement of excess & surrender.

The **item was conditionally settled** subject to condonation of excess expenditure by the competent authority.

- (iv) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011206 Accounting Services
LQ4101 Treasuries /District Accounts Offices

Final Grant		Rs.517,514,000/-
Actual Expenditure		Rs.474,231,050/-
Saving	(-)	Rs. 43,282,950/-
Percentage		8.36%

25.11.2015: The Department explained that saving had occurred because several posts were lying vacant while excess expenditure against the sub-head A13 was wrongly depicted in budget book. As per factual position, there was saving against the said sub-head as well.

The Committee **settled the item** with the directions/recommendations that remedial measures should be taken to avoid such lapses in future.

- (v) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011207 Auditing Services
LQ4102 Local Fund Audit Department

Report of PAC-II (2011-12)

Final Grant		Rs.202,592,000/-
Actual Expenditure		Rs.184,709,014/-
Saving	(-)	Rs. 17,882,986/-
Percentage		8.83%

25.11.2015: The Department explained that saving had occurred because several posts were lying vacant.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

2. Grant No. PC21028 (028) Pension (All Voted) Page 130 of Appropriation Accounts for the year 2011-12

01	General Public Service
011	Executive & Legislative Organs, Financial
0112	Financial & Fiscal Affairs
011210	<u>Pension</u>
LQ4278	<u>Pension</u>

Final Grant		Rs.51,490,038,000/-
Actual Expenditure		Rs.50,110,261,108/-
Saving	(-)	Rs. 1,379,776,892/-
Percentage		2.68%

25.11.2015: The Department explained that pension/commutation payable to the pensioners was obligatory expenditure and estimates were adopted on anticipation basis keeping in view the expenditure reflected in monthly accounts.

The explanation of the Department was accepted and **the item was settled**.

3. Grant No. PC21031 (031) Miscellaneous (All Voted) Pages 130 to 142 of Appropriation Accounts for the year 2011-12

(i)	01	General Public Service
	014	Transfers
	0141	Transfers (Inter-Governmental)
	014102	<u>To District Government</u>
	LQ4341	<u>District Government</u>

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.165,050,660,000/-	Rs.165,050,660,000/-
Actual Expenditure	Rs.164,426,630,370/-	Rs.164,426,326,754/-
Saving	(-) Rs. 624,029,630/-	(-) Rs. 624,333,246/-
Percentage	0.38%	

25.11.2015: The Department explained that expenditure against the above sub-head was incurred through the DCOs and as such, they should be held responsible for any lapses in this regard.

The representative of Accountant General Punjab stated that excess expenditure against the sub-heads A012-1 and A05 had been depicted due to misclassification.

The Committee **settled the item** with the directions that presence of concerned DCOs should be ensured in future.

- (ii) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014103 To TMAs
LQ4342 Grant-In-Aid to Union Administration

Final Grant		Rs.5,247,837,000/-
Actual Expenditure		Rs.4,023,502,829/-
Saving	(-)	Rs.1,224,334,171/-
Percentage		23.33%

25.11.2015: The Department explained that funds under the above sub-head were to be released to the Union Administrations in Punjab on monthly basis. However, in certain cases, funds were not released due to non-submission of requisite verification report by the concerned TMAs.

The Committee **settled the item** subject to issuance of warnings to the concerned officers of Tehsils where saving was more than 5%.

- (iii) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014103 To TMAs
LQ4385 Grant-In-Aid to Tehsil Municipal Administration (Octroi Share)

Final Grant		Rs.15,151,000,000/-
Actual Expenditure		Rs.11,021,685,242/-
Saving	(-)	Rs. 4,129,314,758/-
Percentage		27.25%

25.11.2015: The representative of Accountant General Punjab apprised that excess expenditure against the sub-heads A011-1, A11-2 and A012-1 had been depicted due to misclassification.

The Department explained that funds were to be transferred to TMAs on monthly basis but in certain cases, funds were not released due to non-submission of requisite utilization report.

The Committee directed/recommended that inquiry be conducted to fix responsibility for non-utilization of funds and warnings be issued to the incumbents.

The **item was conditionally settled** subject to above directions/recommendations.

Report of PAC-II (2011-12)

- (iv) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014106 Cantonment Board
LQ4454 Cantonment Board

Final Grant		Rs.1,755,156,000/-
Actual Expenditure		Rs.1,126,389,000/-
Saving	(-)	Rs. 628,767,000/-
Percentage		35.82%

25.11.2015: The Department explained that funds were to be released to the Cantonment Boards and savings occurred due to non-submission of utilization report. However, the matter had been taken up with the concerned authorities.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

- (v) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others
BO4006 Grant to Cholistan Development Authority Bahawalpur

Final Grant		Rs.116,382,000/-
Actual Expenditure		Rs. 87,088,672/-
Saving	(-)	Rs. 29,293,328/-
Percentage		25.17%

25.11.2015: The Department explained that concerned formation was not under administrative control of the Finance Department. However, a letter had been issued to the concerned authorities for attending the PAC meeting.

The Committee directed/recommended that its displeasure be conveyed to the concerned authorities on account of their absence.

The item was kept pending.

- (vi) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others
LQ4427 Punjab Economic Research Institute Lahore

Final Grant		Rs.25,013,000/-
Actual Expenditure		Rs.24,424,315/-
Saving	(-)	Rs. 588,685/-
Percentage		2.35%

25.11.2015: The Department explained that there was nominal saving against various sub-head.

The Committee **settled the item** with the directions that proper explanation should be incorporated in working papers against each sub-head.

- (vii) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others

LQ4428 Punjab Quran Board

Final Grant		Rs.2,811,000/-
Actual Expenditure		Rs.1,698,322/-
Saving	(-)	Rs.1,112,678/-
Percentage		39.58%

25.11.2015: The Department explained that funds could not be utilized because status of Punjab Quran Board had not been determined and neither its functions had been elaborated. However, necessary measures were under process to resolve the matter.

The Committee **settled the item** with the directions/recommendations that timely utilization of funds should be ensured in future.

- (viii) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others

LQ4429 Information and Technology Board

Final Grant		Rs.172,111,000/-
Actual Expenditure		Rs.157,863,009/-
Saving	(-)	Rs. 14,247,991/-
Percentage		8.28%

25.11.2015: The Department explained that saving had occurred mainly under the sub-head A03 because expenditure under the said sub-head was of unforeseen in nature which was incurred on emergency basis.

The explanation of the Department was accepted and **the item was settled.**

Report of PAC-II (2011-12)

- (ix) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others

LQ4432 Society for Prevention of Cruelty to Animals

Final Grant		Rs.13,757,000/-
Actual Expenditure		Rs.12,210,502/-
Saving	(-)	Rs. 1,546,498/-
Percentage		11.24%

25.11.2015: The Department explained that there was nominal saving against various sub-heads.

The Committee **settled the item** with the directions/recommendations that proper explanation should be incorporated in working papers against each sub-head.

- (x) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others

LQ4761 Grant in Aid

Final Grant		Rs.4,018,883,000/-
Actual Expenditure		Rs.4,167,653,607/-
Excess	(+)	Rs. 148,770,607/-
Percentage		3.70%

25.11.2015: The Department explained that excess expenditure had been depicted due to misclassification while saving had occurred due to non-submission of utilization reports by the concerned TMAs/District Governments.

The Committee **settled the item** subject to issuance of warnings to the incumbents responsible for non-surrender of surplus funds.

4. Grant No. PC13035 (035) Loans to Government Servants (All Voted) Page 143 of Appropriation Accounts for the year 2011-12

- 01 General Public Service
014 Transfers
0142 Transfers (Others)
014203 Government Servants

LQ4391 Provincial Government (Civil)

Final Grant	<i>Nil</i>
Actual Expenditure	<i>Nil</i>
Excess/Saving	<i>Nil</i>
Percentage	0.00%

25.11.2015: The representative of Accountant General Punjab apprised that budget in case of above items had been withdrawn.

The item was accordingly settled.

5. Grant No. PC22036 (036) Development: (All Voted) Pages 144 to 146 of Appropriation Accounts for the year 2011-12

01	General Public Service
014	Transfers
0141	Transfers (Inter-Governmental)
014102	To District Governments
LE4332	District Governments

Final Grant	Rs.14,269,107,000/-
Actual Expenditure	Rs.18,629,122,532/-
Excess (+)	Rs. 4,360,015,532/-
Percentage	30.56%

25.11.2015: The Department explained that funds under the above sub-head were transferred to Account-IV which was non-lapsable and the same were placed at the disposal of District Governments.

The Committee **kept the item pending** with the directions to reconcile the accounts as to how excess funds were released by the Finance Department.

6. Grant No. PC12043 (043) Loans to Municipalities /Autonomous Bodies etc. Pages 147 to 149 of Appropriation Accounts for the year 2011-12

(i)	01	General Public Service
	014	Transfers
	0142	Transfers (Others)
	014202	Transfer to Non-Financial Institutions
	LE4254	Transfer to Non-Financial Institutions

Final Grant	<i>Nil</i>
Actual Expenditure	<i>Nil</i>
Excess/Saving	<i>Nil</i>
Percentage	0.00%

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- (ii) 01 General Public Service
014 Transfers
0142 Transfers (Others)
014202 Transfers to Non-Financial Institutions
LE4365 Loans to Non-Financial Institutions

Final Grant	<i>Nil</i>
Actual Expenditure	<i>Nil</i>
Excess/Saving	<i>Nil</i>
Percentage	0.00%

25.11.2015: The representative of Accountant General Punjab apprised that budget in case of above items had been withdrawn.

The items were accordingly settled.

- (iii) 01 General Public Service
014 Transfers
0142 Transfers (Others)
014201 Transfers to Financial Institutions
LE4390 Loans to Financial Institutions

Final Grant	Rs.1,944,442,000/-
Actual Expenditure	Rs.1,944,442,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

25.11.2015: The Department explained that all the allocated funds had been fully utilized in case of above items.

The above items were accordingly settled.

7. Grant No. PC24044 (044) Interest on Debt and Other Obligations: (All Charged) Pages 150 to 153 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0114 Foreign Debt Management
011402 Interest on Debt Management
LQ4409 IDA Credits (LO4318) (Charged)

Final Grant	Rs.274,155,000/-
Actual Expenditure	Rs.274,155,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

- (ii) 01 General Public Service
 011 Executive & Legislative Organs, Financial
 0115 Domestic Debt Management
 011502 Interest on Domestic Debt Payable to Federal Government
LQ4400 Interest on Domestic Loans (Charged) Taken for Development Schemes From Federal Govt. (A)

Final Grant	Rs.3,834,127,000/-
Actual Expenditure	Rs.3,834,127,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

- (iii) 01 General Public Service
 011 Executive & Legislative Organs, Financial
 0115 Domestic Debt Management
 011502 Interest on Domestic Debt Payable to Federal Government
LQ4401 Int. on Domestic Loans Taken for (Charged) Scarp Tubewells From Federal Govt. (B) (LO4315)

Final Grant	Rs.1,431,425,000/-
Actual Expenditure	Rs.1,431,425,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

25.11.2015: The Department explained that all the allocated funds had been fully utilized in case of above items.

The above items were accordingly settled.

- (iv) 01 General Public Service
 011 Executive & Legislative Organs, Financial
 0115 Domestic Debt Management
 011501 Interest on Blocked A/C
LQ4780 Interest on Blocked A/C (Charged)

Final Grant	Rs.2,900,000,000/-
Actual Expenditure	Rs.2,851,698,587/-
Saving (-)	Rs. 48,301,413/-
Percentage	1.67%

25.11.2015: The Department explained that expenditure under the above sub-head was fluctuating in nature. As such, there was nominal saving.

The item was accordingly settled.

- (v) 01 General Public Service

Report of PAC-II (2011-12)

011 Executive & Legislative Organs, Financial
0115 Domestic Debt Management
011502 Interest on Domestic Debt Payable to Federal Government
LQ4402 Permanent Debt (Market Loans) (LO4310) (Charged)

Final Grant	Rs.500,000/-
Actual Expenditure	<i>Nil</i>
Excess/Saving	Rs.500,000/-
Percentage	100.00%

25.11.2015: The Department explained that funds had been allocated for payment of interest on compensation bond but no claim was submitted which resulted in lapse of funds.

The explanation of the Department was accepted and **the item was settled.**

(vi) 01 General Public Service
011 Executive & Legislative Organs, Financial
0115 Domestic Debt Management
011502 Interest on Domestic Debt Payable to Federal Government
LQ4403 Floating Debt (Charged)

Final Grant	Rs.300,000,000/-
Actual Expenditure	Rs.145,265,032/-
Saving (-)	Rs.154,734,968/-
Percentage	51.58%

25.11.2015: The Department explained that less than estimated overdraft facility was used by the Government, due to which lesser interest was paid and saving occurred.

The explanation of the Department was accepted and **the item was settled.**

(vii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0115 Domestic Debt Management
011502 Interest on Domestic Debt Payable to Federal Government
LQ4404 Un-Funded Debt (Charged)

Final Grant	Rs.4,397,611,000/-
Actual Expenditure	Rs.4,390,724,490/-
Saving (-)	Rs. 6,886,510/-
Percentage	0.16%

25.11.2015: The Department explained that there was nominal saving on account of GP fund interest by the Forest Department.

The explanation of the Department was accepted and **the item was settled.**

(viii) 01 General Public Service

011 Executive & Legislative Organs, Financial
0115 Domestic Debt Management
011502 Interest on Domestic Debt Payable to Federal Government
LQ4405 Other Obligations (Charged)

Final Grant		Rs.2,000/-
Actual Expenditure		<i>Nil</i>
Saving	(-)	Rs.2,000/-
Percentage		100.00%

25.11.2015: The Department explained that funds had to be retained tentatively in connection with the matters regarding management of debt.

The explanation of the Department was accepted and **the item was settled.**

(ix) 01 General Public Service
011 Executive & Legislative Organs, Financial
0115 Domestic Debt Management
011502 Interest on Domestic Debt Payable to Federal Government
LQ4477 Payment of Interest to Financial Institutions (Charged)

Final Grant		Rs.1,038,688,000/-
Actual Expenditure		Rs.1,038,688,122/-
Excess	(+)	Rs. 122/-
Percentage		0.00%

(x) 01 General Public Service
011 Executive & Legislative Organs, Financial
0115 Domestic Debt Management
011502 Interest on Domestic Debt Payable to Federal Government
LQ4539 Payment of Interest to Bank of Punjab (Charged)

Final Grant		Rs.12,815,000/-
Actual Expenditure		Rs.12,815,319/-
Excess	(+)	Rs. 319/-
Percentage		0.00%

25.11.2015: The Department explained that all the allocated funds had been almost fully utilized and there was very nominal excess.

The above items were accordingly settled.

8. Grant No. PC16048 (E) Repayment of Loans from the Federal Government
Pages 154 to 156 of Appropriation Accounts for the year 2011-12

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- (i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0115 Domestic Debt Management
011505 Repayment of Principal-Domestic Debt Payable to Federal Government
LQ4587 Payment on A/c of Exchange Rate (Charged) Deterioration

Final Grant	<i>Nil</i>
Actual Expenditure	<i>Nil</i>
Excess/Saving	<i>Nil</i>
Percentage	0.00%

25.11.2015: The representative of Accountant General Punjab apprised that budget in case of above items had been withdrawn.

The items were accordingly settled.

- (ii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0115 Domestic Debt Management
011505 Repayment of Principal-Domestic Debt Payable to Federal Government
LQ4473 Principal Repayment of Loan SBP (Charged)

Final Grant	Rs.10,604,190,000/-
Actual Expenditure	Rs.10,604,188,750/-
Excess/Saving	Rs. 1,250/-
Percentage	0.00%

25.11.2015: The Department explained that all the allocated funds were almost fully utilized.

The item was accordingly settled.

- (iii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0114 Foreign Debt Management
011404 Repayment of Principal-Foreign Debt
LQ4411 Other Foreign Exchange Loans (Charged)

Final Grant	Rs.14,788,395,000/-
Actual Expenditure	Rs.14,788,395,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

- (iv) 01 General Public Service
011 Executive & Legislative Organs, Financial
0115 Domestic Debt Management

011505 Repayment of Principal-Domestic Debt Payable to Federal Government

LQ4399 Cash Development Loans (A) (Charged)

Final Grant	Rs.3,715,650,000/-
Actual Expenditure	Rs.3,715,650,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

- (v) 01 General Public Service
 011 Executive & Legislative Organs, Financial
 0115 Domestic Debt Management
 011505 Repayment of Principal-Domestic Debt Payable to Federal Government
LQ4406 Cash Development Loans (B) (For Scrap Tube Wells) LO4328
(Charged)

Final Grant	Rs.774,188,000/-
Actual Expenditure	Rs.774,188,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

- (vi) 01 General Public Service
 011 Executive and Legislative Organs, Financial and Fiscal Affairs, External Affairs
 0115 Domestic Debt Management
 011505 Repayment of Principal-Domestic Debt Payable to Federal Government
LQ4476 Repayment of Loans to Financial Institution (Charged)

Final Grant	Rs.1,209,375,000/-
Actual Expenditure	Rs.1,209,375,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

25.11.2015: The Department explained that all the allocated funds had been fully utilized in case of above items.

The above items were accordingly settled.

9. Grant No. PC13050 (H) Investment Page 157 of Appropriation Accounts for the year 2011-12

- 01 General Public Services
 014 Transfers
 0143 Investments
 014302 Investment
LQ4461 Investment

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Final Grant	Rs.7,000,000,000/-
Actual Expenditure	Rs.7,000,000,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

25.11.2015: The Department explained that all the allocated funds had been fully utilized in case of above items.

The **above item** was accordingly settled.

Social Welfare, Women Development & Bait-ul-Maal Department

FOOD

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Food Department in its meeting held on 28.01.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Pages 163 & 164 of Appropriation Accounts for the year 2011-12

- (i) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042101 Administration/Land Commission
LQ4082 Food Department

Final Grant		Rs.35,066,000/-
Actual Expenditure		Rs.33,992,636/-
Saving	(-)	Rs. 1,073,364/-
Percentage		3.06%

28.01.2015: The Department explained that services of officers/officials had been requisitioned from S&GAD and therefore, funds were retained in anticipation of the posting against vacant posts.

The explanation of the Department was accepted and **the item was settled.**

- (ii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042101 Administration/Land Commission
LW4065 Cane Commissioner Punjab

Final Grant		Rs.14,818,000/-
Actual Expenditure		Rs.11,495,926/-
Saving	(-)	Rs. 3,322,074/-
Percentage		22.42%

28.01.2015: The Department explained that saving had occurred because some newly created posts could not be filled.

The Committee **settled the item** with the directions/recommendations that surplus funds should be timely surrendered in future.

2. Grant No. PC21030 (030) Subsidies (All Voted) Page 165 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0426 Food
042602 Subsidy
LQ4283 Wheat

Final Grant		Rs.14,937,266,000/-
Actual Expenditure		Rs.12,944,901,510/-
Saving	(-)	Rs. 1,992,364,490/-
Percentage		13.34%

28.01.2015: The representative of Accountant General Punjab apprised that reconciliation of figures was required in the subject case.

The **item was kept pending** for reconciliation of accounts with AG within 30 days.

3. Grant No. PC13033/PC16033 (033) State Trading in Food Grain & Sugar Pages 167 & 170 of Appropriation Accounts for the year 2011-12

(i) 04 Economic Affairs
041 General Economic, Commercial & Labour Affairs
0414 State Trading
041401 Food (Wheat)
LQ4387 Directorate of Food (Charged)

Final Grant		Rs.23,180,300,000/-
Actual Expenditure		Rs.23,180,103,085/-
Saving	(-)	Rs. 196,915/-
Percentage		0.00%

28.01.2015: Saving being nominal, the **item was settled**.

(ii) 04 Economic Affairs
041 General Economic, Commercial & Labour Affairs
0414 State Trading
041401 Food (Wheat)
LQ4388 Directorate of Food (Voted)

Final Grant		Rs.107,803,723,000/-
Actual Expenditure		Rs. 77,168,823,978/-
Saving	(-)	Rs. 30,634,899,022/-
Percentage		28.42%

28.01.2015: The Department explained that saving had occurred because a quantity of 2,784,541 M. Tons of wheat could be procured from the growers against the target of

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4,000,000 M.Tons. As such, payments were made against the quantity actually purchased. Meanwhile, some schemes for repair and maintenance of godowns could not be completed by PASSCO which resulted in lapse of funds. It was added that excess expenditure against the sub-heads of pay & allowances had been incurred due to revision of pay scales.

The **item was kept pending** with the directions/recommendations that Administrative Secretary should examine the matter as to why re-appropriation of funds was not made timely and to thrash out the reason of huge fluctuation against various sub-heads.

- (iii) 04 Economic Affairs
041 General Economic, Commercial & Labour Affairs
0414 State Trading
041401 Food (Wheat)
LQ4389 District Food Establishment

Final Grant		Rs.713,868,000/-
Actual Expenditure		Rs.770,475,479/-
Excess	(+)	Rs. 56,607,479/-
Percentage		7.93%

28.01.2015: The Department explained that excess expenditure had been incurred because funds demanded in 2nd statement of Excesses & Surrenders were not allocated by the Finance Department.

The **item was kept pending** with the directions/recommendations that an inquiry be conducted by the Finance Department to thrash out the matter and excess expenditure should be got regularized by the competent authority.

4. Grant No. PC22036 (036) Development: (All Voted) Page 171 of Appropriation Accounts for the year 2011-12

- 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0426 Food
042650 Others
LE4304 Others

Final Grant		Rs.118,691,000/-
Actual Expenditure		Rs. 56,809,948/-
Saving	(-)	Rs. 61,881,052/-
Percentage		52.14%

28.01.2015: The Department explained that reconciliation of budget figures was required with Finance Department.

The **item was kept pending** for reconciliation of accounts within 30 days.

5. Grant No. PC16047 (D) Floating Debt: (Discharged) Page 172 of Appropriation Accounts for the year 2011-12

01 General Public Services
011 Executive & Legislative Organs, Financial
0115 Domestic Debt Management
011504 Repayment of Principal Domestic Debt-Floating
LQ4435 Cash Credit Accommodation Advances from Commercial Bank
A/C No. 2 (Charged)

Final Grant		Rs.62,508,937,000/-
Actual Expenditure		Rs.56,127,200,000/-
Saving	(-)	Rs. 6,381,737,000/-
Percentage		10.21%

28.01.2015: The Department explained that state trading in wheat was financed by short-term loans obtained from commercial banks. The cash credit limit was sanctioned by the Finance Division, Government of Pakistan. It was added that Punjab Finance Department physically released no funds, only the figures were projected in budget. Moreover, less repayment of loan to banks was due to release of lesser subsidy by the Finance Department.

The Committee **settled the item** with the directions/recommendations that financial system should be strengthened in the public interest.

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

- 1. Para No. 5.4.1 Pages 55 & 56 of Audit Report for the year 2011-12; Loss due to misappropriation of stocks – Rs.37.810 million**
-

AIR No. 3, District Food Controller, Jhang

28.01.2015: The Department explained that all the officials, responsible for lapse had been dismissed from service but they filed appeals which were under process. Moreover, the FIRs were also under trial in the Anti-corruption Establishment.

The **para was kept pending** with the directions/recommendations that PAO should examine the matter personally and departmental action be completed at the earliest under intimation to the PAC.

- 2. Para No. 5.4.2 Pages 56 & 57 of Audit Report for the year 2011-12; Likely misappropriation of wheat – Rs.1.043 million**
-

AIR No. 5, Directorate of Food

28.01.2015: The Department explained that an inquiry was conducted into the matter whereby it was concluded that no loss was sustained by the government, however, there were some procedural irregularities for which disciplinary proceedings had been initiated against the incumbents.

The **para was kept pending** for verification of relevant record by Audit.

- 3. Para No. 5.4.3 Pages 57 to 59 of Audit Report for the year 2011-12; Wasteful expenditure on printing of substandard stationery – Rs.2.804 million**
-

AIR No. 01, Deputy Director Food, Gujranwala

28.01.2015: The Department explained that printing job had been got done through Government printing press and quality as well as quantity of material had been got verified by the said agency. As such, recovery pointed out by Audit was not justified.

The Committee was not satisfied with explanation of the Department and directed/recommended that decision of SDAC to effect recovery, should be complied with in letter and spirit.

The **para was kept pending**.

4. Para No. 5.4.4 Pages 59 to 62 of Audit Report for the year 2011-12; Loss due to excess charging of Mark up by the Banks – Rs.9.586 million

AIR No. 1, Directorate of Food

28.01.2015: The Department explained that issue raised in the Audit observation had been forwarded to the concerned banks requesting them to reconcile the accounts with Food Directorate. However, response of the banks was still awaited. It was added that utmost diligence was exercised during the processing of irrevocable LCs and considerable time and money was saved.

The Committee directed/recommended that an inquiry be conducted by the Finance Department to thrash out the matter and report be furnished to the PAC at the earliest.

The para was kept pending.

5. Para No. 5.4.5 Pages 62 & 63 of Audit Report for the year 2011-12; Unauthorized de-classification of tarpaulins – Rs.6.461 million

(i) 5.4.5.1 AIR No. 06, District Food Controller, Rajanpur – Rs. 6,360,000/-

28.01.2015: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled** with the directions that SOPs be devised to avoid such lapses in future.

(ii) 5.4.5.2 AIR No. 06, District Food Controller, Bahawalnagar – Rs. 100,600/-

28.01.2015: The Department explained that de-classification of tarpaulins had been approved by the competent authority. Subsequently, the same were auctioned and relevant record had been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that warnings be issued to the incumbents at fault.

6. Para No. 5.4.6 Pages 63 to 65 of Audit Report for the year 2011-12; Non recovery of dues on account of supply of wheat - Rs.670.908 million

AIR No. 2, Directorate of Food Punjab, Lahore

28.01.2015: The Department explained that matter had been taken up with the other provinces/ concerned agencies repeatedly but no progress could be made despite repeated reminders.

The **para was kept pending** with the directions/recommendations that matter should be referred to the competent forum/Council of Common Interest to resolve the long outstanding issue.

7. Para No. 5.4.7 Pages 65 & 66 of Audit Report for the year 2011-12; Loss due to shortage of wheat and bardana – Rs.280.678 million

(i) 5.4.7.1 AIR No. 01, District Food Controller, R.Y.Khan – Rs. 274,630,891/-

28.01.2015: The Department explained that departmental action had been taken against the defaulters and efforts were also being made for recovery of outstanding dues.

The **para was kept pending** with the directions/recommendations that recovery cases should be pursued vigorously by involving the Land Revenue Authorities.

(ii) 5.4.7.2 AIR No. 02, District Food Controller, Mianwali – Rs. 6,047,204/-

28.01.2015: The Department explained that matter contained in subject para was subjudice in the Supreme Court.

Being subjudice, **the para was kept pending.**

8. Para No. 5.4.8 Pages 66 & 67 of Audit Report for the year 2011-12; Non recovery of losses due to non finalization of inquiries – Rs.12.622 Million

AIR No. 2, Deputy Director Food Lahore Division, Lahore

28.01.2015: The Department explained that partial recovery had been effected while efforts were being made for balance recovery from the defaulting flour mills through arrears of land revenue.

The **para was kept pending** with the directions/recommendations that PAO should look into the matter to ascertain the factual position. Meanwhile, the concerned District Collector should also expedite the matter.

9. Para No. 5.4.9 Pages 67 & 68 of Audit Report for the year 2011-12; Loss to Govt. due to sale of wheat at lesser rate – Rs.2.314 million

AIR No. 2, District Food Controller, Sheikhpura

28.01.2015: The Department explained that flour for Ramzan package had already been supplied by the concerned mills but wheat was claimed by them later due to some procedural delays on the part of District Administration.

The **para was kept pending** with the directions/recommendations that relevant record in support of departmental contention, be got verified by Audit.

10. Para No. 5.4.10 Pages 69 & 70 of Audit Report for the year 2011-12; Loss due to less/non deduction of income tax and surcharge – Rs.1.311 million

(i) 5.4.10.1 AIR No. 05, District Food Controller, Jhelum – Rs. 786,884/-

28.01.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

(ii) 5.4.10.2 AIR No. 03, District Food Controller, Sialkot – Rs. 227,102/-

(iii) 5.4.10.3 AIR No. 06, District Food Controller, Gujrat – Rs. 88,903/-

(iv) 5.4.10.4 AIR No. 06, District Food Controller, Lodhran – Rs. 189,618/-

(v) 5.4.10.5 AIR No. 06, District Food Controller, DG Khan – Rs. 18,200/-

28.01.2015: The Department explained that total outstanding amount on account of income tax had been recovered and record had been got verified by Audit.

The Committee **settled the paras** with the directions/recommendations that an advice be sought from Federal Board of Revenue whether income tax was applicable on public welfare schemes/subsidies.

11. Para No. 5.4.11 Pages 71 & 72 of Audit Report for the year 2011-12; Non-recovery of government loss from ex-officials – Rs.1.354 million

District Food Controller-I, Lahore

28.01.2015: The Department explained that partial recovery had been effected from the officials while cases for balance amount had been referred to DCO, Lahore for recovery as arrears of land revenue.

The **para was kept pending** with the directions/recommendations that matter be pursued vigorously.

12. Para No. 5.4.12 Pages 72 & 73 of Audit Report for the year 2011-12; Non-recovery of bardana from growers – Rs.680,044/-

(i) 5.4.12.1 AIR No. 02, District Food Controller, Sahiwal – Rs. 365,408/-

28.01.2015: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled** with the directions that SOPs be devised to avoid such lapses in future.

(ii) **5.4.12.2 AIR No. 04, District Food Controller, Mianwali – Rs. 314,636/-**

28.01.2015: The Department explained that subject case was under trial in Anti-corruption Establishment and PST.

Being subjudice, **the para was kept pending.**

13. Para No. 5.4.13 Pages 74 & 75 of Audit Report for the year 2011-12; Non disposal of unserviceable/de-classified bags – Rs.4.314 million

AIR No. 03, Food Controller, Rajanpur

28.01.2015: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled** with the directions that SOPs be devised to avoid such lapses in future.

AUDIT PARAS (REVENUE RECEIPTS) FOR THE YEAR 2011-12

1. **Para No. 6.4.1 Pages 86 & 87 of Audit Report for the year 2011-12; Non-realization of Sugarcane (Development) Cess and penalty – Rs.146.320 million**

PDP No. 14852, Cane Commissioner, Punjab

2. **Para No. 6.4.2 Pages 87 & 88 of Audit Report for the year 2011-12; Non-imposition/recovery of penalty on late deposit of cess – Rs.4.757 million**

PDP No. 14853, Cane Commissioner, Punjab

28.01.2015: The Department explained that partial recovery had been effected and hectic efforts were being made for balance recovery.

The **paras were kept pending** with the directions that recovery cases be pursued vigorously and concerned Revenue Authorities should ensure complete recovery within 90 days.

GENERAL OBSERVATIONS/RECOMMENDATIONS

28.01.2015: The Committee observed that overall performance of the department in dealing with the Appropriation Accounts, Audit Report and presentation of working papers to PAC-II was far away from satisfactory. The working papers for the meeting of Public Accounts Committee-II were submitted very late, almost few hours before the commencement of the meeting. Moreover, the working papers had not been compiled in accordance with the prescribed format.

The Committee took serious notice of the casual attitude of the concerned officers of the Food Department towards the PAC business which caused loss of precious time of the committee as well as loss of huge amount of public money and desired that displeasure of the Committee may be conveyed to the concerned officers through the Secretary/Principle Accounting Officer.

Social Welfare, Women Development & Bait-ul-Maal Department

FORESTRY, WILDLIFE & FISHERIES

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Forestry, Wildlife & Fisheries Department in its meeting held on 29.01.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21005 (005) Forest (Non Development) Pages 10 to 13 of Appropriation Accounts for the year 2011-12

- (i) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0424 Forestry
042402 Administration

LQ4011 Direction

Final Grant		Rs.49,149,000/-
Actual Expenditure		Rs.48,567,805/-
Saving	(-)	Rs. 581,195/-
Percentage		1.18%

- (ii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0424 Forestry
042402 Administration

LQ4013 Regional & Field Establishment

Final Grant		Rs.1,302,748,000/-
Actual Expenditure		Rs.1,297,546,681/-
Saving	(-)	Rs. 5,201,319/-
Percentage		0.40%

- (iii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0424 Forestry
042402 Administration

LQ4014 Conservancy & Works

Final Grant		Rs.389,374,000/-
Actual Expenditure		Rs.388,467,735/-
Saving	(-)	Rs. 906,265/-
Percentage		0.23%

29.01.2015: The Department explained that minor saving had occurred on account of posts which remained vacant during the last quarter of the financial year.

The explanation of the Department was accepted and **the items were settled.**

2. Grant No. PC21010/PC24010 (010) General Administration Page 177 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
042 Agriculture, Food, Irrigation, Forestry & Fishing
0421 Agriculture
042101 Administration/Land Commission
LQ4084 Forestry Wildlife Fisheries & Tourism Department

Final Grant		Rs.32,450,000/-
Actual Expenditure		Rs.32,457,319/-
Excess	(+)	Rs. 7,319/-
Percentage		0.02%

29.01.2015: The Department explained that excess expenditure had been incurred due to revision of pay scales and posting of staff by the S&GAD during last quarter of the month.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

3. Grant No. PC21019 (019) Fisheries Pages 178 & 179 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0425 Forestry
042501 Administration
LQ4203 Fisheries

Final Grant		Rs.385,105,000/-
Actual Expenditure		Rs.383,344,983/-
Saving	(-)	Rs. 1,760,017/-
Percentage		0.46%

29.01.2015: The Department explained that excess expenditure against the sub-heads A011-1 and A011-2 had been incurred due to revision of pay scale as funds demanded through 2nd statement of excess & surrender were not released by the Finance Department. It was added that funds amounting to Rs.1,060,000/- lapsed due to clerical mistake by the Finance Department.

The Committee directed/recommended that matter should be examined by the Administrative Department as to why there was huge fluctuation against various sub-heads and then, excess expenditure be got condoned by the Finance Department.

Subject to above directions, **the item was conditionally settled.**

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4. Grant No. PC21023 (023) Miscellaneous Departments Pages 180 to 182 of Appropriation Accounts for the year 2011-12

- (i) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0424 Forestry
042401 Preservation of Wild Life Control of Hunting
LQ4242 Preservation of Wild Life Control of Hunting

Final Grant		Rs.417,755,000/-
Actual Expenditure		Rs.415,719,676/-
Saving	(-)	Rs. 2,035,324/-
Percentage		0.49%

29.01.2015: The Department explained that there was minor saving against various sub-heads while excess expenditure against the sub-heads A011-1 and A011-2 was incurred on account of Pay & Allowances which was inevitable.

The Committee **conditionally settled** subject to regularization of the excess expenditure by the Finance Department. It was also directed/recommended that proper training of DDOs should be ensured by the Chief Secretary Punjab and mechanism for the purpose be devised by the Finance Department in co-ordination with Accountant General Punjab.

- (ii) 08 Recreational, Culture and Religion
081 Recreational & Sporting Services
0811 Recreational & Sporting Services
081103 Zoo & Other Entertainment Services
LQ4240 Zoo & Other Entertainment Places

Final Grant		Rs.21,730,000/-
Actual Expenditure		Rs.21,660,260/-
Saving	(-)	Rs. 69,740/-
Percentage		0.32%

29.01.2015: The Department explained that bulk of the allocated funds had been utilized and minor saving was due to some vacant posts. It was added that excess expenditure against the sub-head A03 had been wrongly depicted in Appropriation Accounts while actually there was saving under this sub-head.

The explanation of the Department was accepted and **the item was settled.**

- (iii) 08 Recreational, Culture and Religion
081 Recreational & Sporting Services
0811 Recreational & Sporting Services
081103 Zoo & Other Entertainment Services
BO4055 Zoological Garden Bahawalpur Museum

Final Grant		Rs.551,000/-
Actual Expenditure		Rs.473,802/-
Saving	(-)	Rs. 77,198/-
Percentage		14.01%

29.01.2015: The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowances because some posts were lying vacant.

The explanation of the Department was accepted and **the item was settled.**

5. Grant No. PC22036 (036) Development: (All Voted) Pages 183 to 185 & 1036 of Appropriation Accounts for the year 2011-12

- (i) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0424 Forestry
042402 Administration
LE4219 Administration

Final Grant		Rs.331,770,000/-
Actual Expenditure		Rs.331,566,817/-
Saving	(-)	Rs. 203,183/-
Percentage		0.06%

29.01.2015: The Department explained that bulk of the allocated funds had been utilized while excess expenditure against the sub-head A12-Civil Works had been wrongly printed in the Appropriation Accounts book. As per factual position, funds amounting to Rs.29,617,000/- had been allocated vide Finance Department's letter dated 24.9.2011, out of which only Rs.13,239,300/- were utilized resulting in saving against the said sub-head.

The **item was conditionally settled** subject to verification of departmental contention by the office of Accountant General Punjab.

- (ii) 04 Economic Affairs
042 Agriculture, Food, Irrigation, Forestry & Fishing
0424 Forestry
042401 Preservation of Wildlife & Hunting Control
LE4217 Preservation of Wildlife & Control of Hunting

Final Grant		Rs.50,501,000/-
Actual Expenditure		Rs.48,086,405/-
Saving	(-)	Rs. 2,414,595/-
Percentage		4.78%

29.01.2015: The Department explained that saving had occurred because staff was not posted for various development schemes and lesser expenditure was incurred on account of POL, utilities and purchase of different items. It was added that excess expenditure against the sub-head A011-2 was incurred through computerized pay roll.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

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- (iii) 04 Economic Affairs
042 Agriculture, Food, Irrigation, Forestry & Fishing
0425 Forestry
042501 Administration
LE4221 Administration

Final Grant		Rs.56,775,000/-
Actual Expenditure		Rs.58,288,529/-
Excess	(+)	Rs. 1,513,529/-
Percentage		2.67%

29.01.2015: The Department explained that excess expenditure had been incurred due to revision of pay scales and non-receipt of funds demanded through 2nd statement of Excess & Surrender.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

- 1. Para No.6.4.1 Pages 82 & 83 of Audit Report for the year 2011-12, Unauthorized sanction of expenditure without tender inquiry – Rs.1.873 million**
-

AIR No. 7, Divisional Forest Officer Lahore/Sheikhupura

29.01.2015: The Department explained that green belt on Lahore-Kasur road, had been developed in compliance with the directions of the Chief Minister, Punjab and due to shortage of time, tendering for procurement of plants, machinery and store articles was not possible. Similarly, POL for tractors/water tankers was purchased on cash, day and night due to urgent nature of work.

The **para was kept pending** for seeking relaxation of relevant rules by the Chief Minister, Punjab.

- 2. Para No.6.4.2 Pages 83 & 84 of Audit Report for the year 2011-12, Loss due to higher rates – Rs.12.600 million**
-

AIR Nos. 2 & 5, Divisional Forest Officer, Murree

29.01.2015: The Department explained that difference in rates of Development and non-Development schemes was due to difference in operations and different nature of treatment sanctioned by the competent authority.

The **para was kept pending** for verification of departmental contention by Audit.

- 3. Para No.6.4.3 Page 85 of Audit Report for the year 2011-12, Non accountal of timber wood – Rs.537,200/-**
-

AIR No. 6, Divisional Forest Officer Timber Rawalpindi

29.01.2015: The Department explained that total timber pointed out by Audit had been accounted at Sihala Sale Depot which had also been got verified by Audit.

On the recommendation of Audit, **the para was settled.**

- 4. Para No.6.4.4 Pages 86 & 87 of Audit Report for the year 2011-12, Loss due to non-recovery of penalties – Rs.2.889 million**
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- (i) 6.4.4.1 AIR No. 02, Divisional Forest Officer (South), Rawalpindi – Rs.2,729,665/-**

29.01.2015: The Department explained that partial recovery had been effected while efforts were being made for balance recovery through form 11.

The Committee reduced the amount of para to the extent of recovery verified by Audit while its **remaining portion was kept pending.**

(ii) **6.4.4.2 AIR No. 03, Divisional Forest Officer (Timber), Rawalpindi – Rs.159,324/-**

29.01.2015: The Department explained that total outstanding amount had been recovered except Rs.13,600/- for which the case of deceased employee had been moved to the competent authority.

The **para was conditionally settled** subject to verification of complete recovery/write off sanction, by Audit.

5. Para No.6.4.5 Page 87 of Audit Report for the year 2011-12, Loss of Govt. revenue due to non collection of advance income tax – Rs.1.478 million

AIR No. 02, Divisional Forest Officer, Lahore/Sheikhupura

29.01.2015: The Department explained that partial recovery had been effected on account of income tax and efforts were being made for balance recovery. It was added that FBR had also been approached for recovery of outstanding dues from the concerned contractors.

The **para was conditionally settled** subject to verification of complete recovery by Audit within 30 days.

6. Para No.6.4.6 Page 88 of Audit Report for the year 2011-12, Non recovery on account of auction and lease proceeds – Rs.1.313 million

AIR No. 3, Divisional Forest Controller Lahore/Sheikhupura

7. Para No.6.4.7 Page 89 of Audit Report for the year 2011-12, Loss of revenue due to non deduction of Income Tax at source – Rs.111,113/-

AIR No. 11, DFO Lahore/Sheikhupura

29.01.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **paras were conditionally settled** subject to verification of relevant record by Audit.

Social Welfare, Women Development & Bait-ul-Maal Department

HEALTH

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Health Department in its meetings held on 19.01.2015, 20.01.2015, 21.01.2015, 17.08.2015, 18.08.2015, 19.08.2015, 16.03.2016 & 17.03.2016 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Pages 199 & 200 of Appropriation Accounts for the year 2011-12

- (i) 07 Health
076 Health Administration
0761 Administration
076101 Administration
LQ4074 Health Department

Final Grant		Rs.130,825,000/-
Actual Expenditure		Rs.130,306,092/-
Saving	(-)	Rs. 518,908/-
Percentage		0.40%

19.01.2015: The representative of Accountant General Punjab stated that reconciliation of accounts was required in case of above items.

The item was kept pending for reconciliation.

17.08.2015: The Department explained that accounts had been reconciled with Accountant General Office and thereafter, a case for regularization of excess expenditure against the sub-heads A011-1, A03 and A13, had been moved to the Finance Department.

The item was conditionally settled subject to decision of the Finance Department within 7 days.

16.03.2016: The Department explained that in compliance with the directions of PAC-II dated, 17.08.2015, the regularization cases in respect of above items had already been referred to the Finance Department on 24.08.2015 but the decision thereon was still awaited. It was added that a reminder had also been sent to the Finance Department.

The Finance Department contended that the regularization cases were submitted without the probe reports.

The Committee directed that factual position of cases be intimated on 17.03.2016.

On 17.03.2016, the Additional Secretary (Monitoring) admitted that there was some delay on the part of Finance Department.

The Committee expressed its displeasure on non-finalization of regularization cases despite lapse of several months and directed/recommended that Finance Department should thrash out the reason for delay in the subject cases and take action against the incumbents under intimation to the PAC within 15 days.

The above item was kept pending.

- (ii) 07 Health
076 Health Administration
0761 Administration
076101 Administration

LQ4105 Drug Courts

Final Grant		Rs.23,579,000/-
Actual Expenditure		Rs.21,358,331/-
Saving	(-)	Rs. 2,220,669/-
Percentage		9.42%

19.01.2015: The Department explained that saving had occurred under four drug courts while excess expenditure against the sub-heads A011-1 and A012-2 was incurred on account of Pay & Allowances.

The Committee conditionally settled the item subject to condonation of excess expenditure by the Finance Department. It was also directed that proper explanation should be incorporated for excess/saving against each sub-head.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above items had been regularized by the Finance Department.

The Committee accordingly settled the above item.

2. Grant No. PC21016 (016) Health Services Pages 201 to 253 of Appropriation Accounts for the year 2011-12

- (i) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services

LQ4171 Lahore General Hospital PGMI Lahore

Final Grant		Rs.1,697,608,000/-
Actual Expenditure		Rs.1,667,378,646/-
Saving	(-)	Rs. 30,229,354/-
Percentage		1.78%

19.01.2015: The Department explained that bulk of the allocated funds had been utilized and there were minor savings against various sub-heads.

The Committee appreciated the concerned institution for better utilization of funds and **settled the item.**

Report of PAC-II (2011-12)

- (ii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4172 Jinnah Hospital AIMC Lahore

Final Grant		Rs.2,137,435,000/-
Actual Expenditure		Rs.2,028,070,606/-
Saving	(-)	Rs. 109,364,394/-
Percentage		5.12%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant and funds for financial assistance to poor patients were received during the last month of financial year.

The Committee accepted the explanation of the Department **and item was settled.**

- (iii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4173 Punjab Institute of Cardiology

Final Grant		Rs.1,265,255,000/-
Actual Expenditure		Rs.1,210,674,884/-
Saving	(-)	Rs. 54,580,116/-
Percentage		4.31%

19.01.2015: The Department explained that bulk of the allocated funds had been fully utilized while saving had occurred because several posts were lying vacant.

The Committee accepted the explanation of the Department **and settled the item.**

- (iv) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4176 Services Hospital/SIMS Lahore

Final Grant		Rs.2,142,944,000/-
Actual Expenditure		Rs.2,069,234,375/-
Saving	(-)	Rs. 73,709,625/-
Percentage		3.44%

19.01.2015: The Department explained that saving had occurred because salaries of certain employees were stopped due to absence from duty or other reasons and some bills were delayed by the contractors which resulted in lapse of funds.

The explanation of the Department was accepted and **the item was settled.**

- (v) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4458 Provision of Free Medicine to DHQ & THQ Hospitals

Final Grant		Rs.383,742,000/-
Actual Expenditure		Rs.384,404,248/-
Excess	(+)	Rs. 662,248/-
Percentage		0.17%

19.01.2015: The Department explained that minor excess had occurred because allocated amount was revised by the Finance Department without concurrence of Health Department.

The Committee accepted the explanation of the Department and **settled the item.**

- (vi) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4471 Nishtar Institute of Dentistry Multan

Final Grant		Rs.133,186,000/-
Actual Expenditure		Rs.126,913,852/-
Saving	(-)	Rs. 6,272,148/-
Percentage		4.71%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant and rate contract was cancelled by the Health Department. Moreover, some contractors failed to submit the bills timely which resulted in lapse of funds.

The Committee accepted the explanation of the Department and **the item was settled.**

- (vii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4543 D.G Khan Medical College

Final Grant		Rs.52,069,000/-
Actual Expenditure		<i>Nil</i>
Saving	(-)	Rs.52,069,000/-
Percentage		100.00%

Report of PAC-II (2011-12)

19.01.2015: The Department explained that classes of D.G Khan Medical College were conducted within the premises of QAMC, Bahawalpur which met the expenditure from their own budgetary allocation. It was added that funds could not be surrendered because the same were allocated through supplementary grant.

Finance Department advised that supplementary funds could also be surrendered through the Administrative Department.

The Committee **settled the item** with the directions/recommendations that above advice of the Finance Department should be circulated to all the Administrative Departments.

(viii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ5304 Govt. Said Mitha Hospital

Final Grant		Rs.38,701,000/-
Actual Expenditure		Rs.35,555,722/-
Saving	(-)	Rs. 3,145,278/-
Percentage		8.13%

19.01.2015: The Department explained that main reason for savings was that most of the posts were lying vacant as the institution had been newly established. As such, funds could not be utilized.

The Committee accepted the explanation of the Department and **settled the item**.

(ix) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ5883 Lady Aitcheson Hospital Lahore

Final Grant		Rs.201,718,000/-
Actual Expenditure		Rs.185,201,409/-
Saving	(-)	Rs. 16,516,591/-
Percentage		8.19%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant and funds allocated for operating expenses could not be utilized due to transfer of Medical Superintendent.

The Committee **settled the item** with the directions that financial mechanism should be improved for better utilization of funds.

(x) 07 Health
073 Hospital Services
0731 General Hospital Services

073101 General Hospital Services
MP4009 Multan Institute of Cardiology Multan

Final Grant		Rs.545,671,000/-
Actual Expenditure		Rs.497,158,158/-
Saving	(-)	Rs. 48,512,842/-
Percentage		8.89%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant and lesser expenditure was made on account of POL. Similarly, funds allocated for Repair & Maintenance could not be utilized because no contractor responded to the tender invitation.

The explanation of the Department was accepted and **the item was settled.**

(xi) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
RA4004 Tuberculosis Sanatorium Sami

Final Grant		Rs.71,351,000/-
Actual Expenditure		Rs.68,922,882/-
Saving	(-)	Rs. 2,428,118/-
Percentage		3.40%

19.01.2015: The Department explained that saving had occurred because some posts were lying vacant and supplementary grant for dress & mess allowances was received during May 2012. It was added that excess expenditure against the sub-head A011-2 was due to death case of an employee.

The explanation of the Department was accepted and **the item was settled.**

(xii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
RA4005 DHQ/RGH/Holy Family Hospital/RMC Rawalpindi

Final Grant		Rs.2,529,259,000/-
Actual Expenditure		Rs.2,268,262,609/-
Saving	(-)	Rs. 260,996,391/-
Percentage		10.32%

19.01.2015: The Department explained that an amount of Rs.148,207,000/- had been released on 16.6.2011 which could not be utilized due to time constraints.

Report of PAC-II (2011-12)

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

- (xiii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
RR4001 Sheikh Zayed Hospital R.Y. Khan

Final Grant		Rs.1,142,202,000/-
Actual Expenditure		Rs. 969,602,213/-
Saving	(-)	Rs. 172,599,787/-
Percentage		15.11%

19.01.2015: The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowances because several posts were lying vacant.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered and vacant posts be filled at the earliest.

- (xiv) 07 Health
074 Public Health Services
0741 Public Health Services
074104 Chemical Examiner & Laboratories
LQ4184 Food Laboratory

Final Grant		Rs.16,456,000/-
Actual Expenditure		Rs.15,343,838/-
Saving	(-)	Rs. 1,112,162/-
Percentage		6.76%

- (xv) 07 Health
074 Public Health Services
0741 Public Health Services
074104 Chemical Examiner & Laboratories
LQ4185 Drug Laboratory

Final Grant		Rs.37,980,000/-
Actual Expenditure		Rs.36,556,954/-
Saving	(-)	Rs. 1,423,046/-
Percentage		3.75%

19.01.2015: The Department explained that saving had occurred because some posts were lying vacant while funds allocated for repair & maintenance lapsed because rough cost estimates were not timely prepared by the concerned department.

The Committee **settled the above items** with the directions that surplus funds should be timely surrendered in future.

- (xvi) 07 Health
074 Public Health Services
0741 Public Health Services
074104 Chemical Examiner & Laboratories
LQ4542 Chief Chemical Examiner Labortory Punjab Lahore

Final Grant		Rs.1,280,000/-
Actual Expenditure		Rs.1,184,421/-
Saving	(-)	Rs. 95,579/-
Percentage		7.47%

- (xvii) 07 Health
076 Hospital Administration
0761 Administration
076101 Administration
LQ4160 Directorate of Nursing Services Punjab

Final Grant		Rs.15,882,000/-
Actual Expenditure		Rs.14,049,610/-
Saving	(-)	Rs. 1,832,390/-
Percentage		11.54%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant.

The Committee **settled the above items** with the directions that surplus funds should be timely surrendered in future.

- (xviii) 07 Health
076 Hospital Administration
0761 Administration
076101 Administration
MP4004 Central Medical Equipment Repair Workshop Multan

Final Grant		Rs.5,714,000/-
Actual Expenditure		Rs.5,545,601/-
Saving	(-)	Rs. 168,399/-
Percentage		2.95%

19.01.2015: The Department explained that bulk of the allocated funds had been utilized and there were minor savings against various sub-heads.

The Committee accepted the explanation of the Department and **settled the item**.

Report of PAC-II (2011-12)

- (xix) 07 Health
076 Hospital Administration
0761 Administration
076101 Administration

SQ4001 Central Medical Equipment Repair Workshop Sargodha

Final Grant		Rs.6,409,000/-
Actual Expenditure		Rs.5,731,009/-
Saving	(-)	Rs. 677,991/-
Percentage		10.58%

19.01.2015: The Department explained that there were minor savings against various sub-heads and in case of huge saving under the sub-head A012-1, concerned DDO had been warned to be careful in future.

The explanation of the Department was accepted and **the item was settled.**

- (xx) 09 Education Affairs & Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093102 Professional/Technical/Universities/Colleges

LQ4158 Provincial Health Development Center

Final Grant		Rs.18,920,000/-
Actual Expenditure		Rs.17,851,177/-
Saving	(-)	Rs. 1,068,823/-
Percentage		5.65%

19.01.2015: The Department explained that there were minor savings against various sub-heads because some posts were lying vacant.

The explanation of the Department was accepted and **the item was settled.**

- (xxi) 09 Education Affairs & Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093102 Professional/Technical/Universities/Colleges

LQ4394 School of Allied Health Sciences Children

Final Grant		Rs.9,387,000/-
Actual Expenditure		Rs.5,856,950/-
Saving	(-)	Rs.3,530,050/-
Percentage		37.61%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant while recruitment process was under process.

The explanation of the Department was accepted and **the item was settled.**

- (xxii) 09 Education Affairs & Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093102 Professional/Technical/Universities/Colleges

LQ4505 University of Health Services

Final Grant		Rs.30,000,000/-
Actual Expenditure		Rs.29,486,069/-
Saving	(-)	Rs. 513,931/-
Percentage		1.71%

19.01.2015: The Department explained that bulk of the funds allocated for medical entrance test were utilized and unspent balance was reverted back to the Government.

The explanation of the Department was accepted and **the item was settled.**

- (xxiii) 09 Education Affairs & Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093102 Professional/Technical/Universities/Colleges

LQ5878 School Nursing at Mayo Hospital Lahore

Final Grant		Rs.61,634,000/-
Actual Expenditure		Rs.58,667,478/-
Saving	(-)	Rs. 2,966,522/-
Percentage		4.81%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant.

The explanation of the Department was accepted and **the item was settled.**

- (xxiv) 09 Education Affairs & Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093102 Professional/Technical/Universities/Colleges

LW4113 King Edward Medical University Lahore

Final Grant		Rs.507,801,000/-
Actual Expenditure		Rs.504,866,546/-
Saving	(-)	Rs. 2,934,454/-
Percentage		0.58%

19.01.2015: The Department explained that bulk of the funds had been utilized and there were minor savings against various sub-heads.

The explanation of the Department was accepted and **the item was settled.**

- (xxv) 07 Health

Report of PAC-II (2011-12)

073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
BO4002 BV Hospital/QAMC Bahawalpur

Final Grant		Rs.2,057,221,000/-
Actual Expenditure		Rs.1,831,667,244/-
Saving	(-)	Rs. 225,553,756/-
Percentage		10.96%

(xxvi) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
FQ4001 DHQ Hospital/Allied Hospitals Punjab Medical Colleges Hospital Faisalabad

Final Grant		Rs.2,505,882,000/-
Actual Expenditure		Rs.2,228,543,476/-
Saving	(-)	Rs. 277,338,524/-
Percentage		11.07%

(xxvii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
FQ4551 Faisalabad Institute of Cardiology Faisalabad

Final Grant		Rs.533,746,000/-
Actual Expenditure		Rs.496,890,645/-
Saving	(-)	Rs. 36,855,355/-
Percentage		6.91%

19.01.2015: The Department explained that saving had occurred because a large number of posts were lying vacant which resulted in lapse of funds.

The Committee **settled the item** with the directions that such lapses should be avoided in future. It was further directed that recruitments should be made against vacant posts across the Department, under intimation to the PAC.

(xxviii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4168 Pediatric Hospital/Institute Lahore Nursing School-cum-Hostel

AG Figures

Departmental Figures

Report of PAC-II (2011-12)

Final Grant		Rs.1,353,883,000/-	Rs.1,353,883,000/-
Actual Expenditure		Rs.1,281,665,505/-	Rs.1,287,540,583/-
Saving	(-)	Rs. 72,217,495/-	Rs. 66,342,417/-
Percentage		5.33%	4.9%

19.01.2015: The representative of Accountant General Punjab stated that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation.

17.08.2015: The Department explained that reconciliation of accounts had been carried out with Accountant General office and resultantly, the amount of saving had decrease to 4.9% instead of 5.33 % of the final grant.

The Committee **settled the item** with the directions/recommendations that proper explanation for excess/saving should be furnished in working papers against each sub-head.

(xxix) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4179 Punjab Rural Support Program

Final Grant		Rs.58,000,000/-
Actual Expenditure		Rs.22,800,000/-
Saving	(-)	Rs.35,200,000/-
Percentage		60.69%

19.01.2015: The representative of Accountant General Punjab stated that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation.

17.08.2015: The Department explained that accounts had been reconciled with the office of Accountant General Punjab and all the allocated funds had been fully utilized.

The explanation of the Department was accepted and the **item was settled**.

(xxx) 07 Health
073 Hospital Services
0732 General Hospital Services
073201 General Hospital Services
LQ4181 Mental Hospital

Report of PAC-II (2011-12)

Final Grant		Rs.411,402,000/-
Actual Expenditure		Rs.384,751,031/-
Saving	(-)	Rs. 26,650,969/-
Percentage		6.48%

19.01.2015: The representative of Accountant General Punjab stated that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation.

17.08.2015: The Department explained that accounts had been reconciled with office of the Accountant General Punjab which revealed that saving had occurred due to actualization of expenditure lower than estimated rates and due to non-encashment of a cheque by the Buildings Department. It was added that excess expenditure against the sub-head A011-2 was inevitable.

The item was kept pending with the directions/recommendations that excess expenditure should be got regularized by the Finance Department within 15 days.

16.03.2016: The Department explained that in compliance with the directions of PAC-II dated, 17.08.2015, the regularization cases in respect of above items had already been referred to the Finance Department on 24.08.2015 but the decision thereon was still awaited. It was added that a reminder had also been sent to the Finance Department.

The Finance Department contended that the regularization cases were submitted without the probe reports.

The Committee directed that factual position of cases be intimated on 17.03.2016.

On 17.03.2016, the Additional Secretary (Monitoring) admitted that there was some delay on the part of Finance Department.

The Committee expressed its displeasure on non-finalization of regularization cases despite lapse of several months and directed/recommended that Finance Department should thrash out the reason for delay in the subject cases and take action against the incumbents under intimation to the PAC within 15 days.

The above item was kept pending.

(xxxi) 07 Health
074 Public Health Services
0741 Public Health Services
074104 Chemical Examiner & Laboratories
LQ4183 Bacteriological Laboratory

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.7,929,000/-	Rs.7,929,000/-
Actual Expenditure	Rs.7,892,988/-	Rs.7,864,988/-
Saving (-)	Rs. 36,012/-	Rs. 64,012/-
Percentage	0.45%	0.81%

19.01.2015: The representative of Accountant General Punjab stated that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation.

17.08.2015: The Department explained that accounts had been reconciled with AG office and there was nominal saving to the tune of 0.81% of the final grant.

The explanation of the Department was accepted and **the item was settled.**

(xxxii) 07 Health
076 Hospital Administration
0761 Administration
076101 Administration

LQ4161 Superintendence

Final Grant	Rs.1,977,559,000/-
Actual Expenditure	Rs. 760,196,427/-
Saving (-)	Rs.1,217,362,573/-
Percentage	61.56%

19.01.2015: The representative of Accountant General Punjab stated that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation.

17.08.2015: The Department explained that bulk of the saving had occurred on account of funds under the PMDGP which were transferred to districts. However, excess expenditure against the sub-head A011-2 was due to up-gradation of certain posts.

The Committee expressed its concern on non-utilization of funds for Millennium Development Programme and directed/recommended that excess expenditure should be got regularized by the Finance Department within 15 days.

The item was kept pending.

16.03.2016: The Department explained that in compliance with the directions of PAC-II dated, 17.08.2015, the regularization cases in respect of above items had already been referred to the Finance Department on 24.08.2015 but the decision thereon was still awaited. It was added that a reminder had also been sent to the Finance Department.

Report of PAC-II (2011-12)

The Finance Department contended that the regularization cases were submitted without the probe reports.

The Committee directed that factual position of cases be intimated on 17.03.2016.

On 17.03.2016, the Additional Secretary (Monitoring) admitted that there was some delay on the part of Finance Department.

The Committee expressed its displeasure on non-finalization of regularization cases despite lapse of several months and directed/recommended that Finance Department should thrash out the reason for delay in the subject cases and take action against the incumbents under intimation to the PAC within 15 days.

The above item was kept pending.

- (xxxiii) 07 Health
076 Hospital Administration
0761 Administration
076101 Administration

LQ4162 Grant In-Aid

Final Grant		Rs.2,220,249,000/-
Actual Expenditure		Rs.1,196,366,171/-
Saving	(-)	Rs.1,023,882,829/-
Percentage		46.12%

19.01.2015: The representative of Accountant General Punjab stated that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation.

17.08.2015: The Department explained that accounts had been reconciled with AG office and saving had occurred because funds amounting to Rs.1,000,000,000/-, allocated for Cardiac Institute Quetta could not be released and some grants-in-aid could not be materialized.

The explanation of the Department was accepted and the **item was settled.**

- (xxxiv) 09 Education Affairs & Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093102 Professional/Technical/Universities/Colleges

LQ4157 De-Montmorency College of Dentistry Lahore

Final Grant		Rs.81,310,000/-
Actual Expenditure		Rs.75,789,983/-
Saving	(-)	Rs. 5,520,017/-
Percentage		6.79%

19.01.2015: The representative of Accountant General Punjab stated that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation.

17.08.2015: The Department explained that accounts had been reconciled with AG office and excess expenditure against the sub-head A011-2 had occurred due to revision of pay scales while the same against the sub-head A012-2 had been depicted due to clerical mistake.

The item was kept pending with the directions that excess expenditure be got regularized by the Finance Department and warnings be issued to the concerned DDOs.

16.03.2016: The Department explained that in compliance with the directions of PAC-II dated, 17.08.2015, the regularization cases in respect of above items had already been referred to the Finance Department on 24.08.2015 but the decision thereon was still awaited. It was added that a reminder had also been sent to the Finance Department.

The Finance Department contended that the regularization cases were submitted without the probe reports.

The Committee directed that factual position of cases be intimated on 17.03.2016.

On 17.03.2016, the Additional Secretary (Monitoring) admitted that there was some delay on the part of Finance Department.

The Committee expressed its displeasure on non-finalization of regularization cases despite lapse of several months and directed/recommended that Finance Department should thrash out the reason for delay in the subject cases and take action against the incumbents under intimation to the PAC within 15 days.

The above item was kept pending.

(xxxv) 09 Education Affairs & Services
 093 Tertiary Education Affairs & Services
 0931 Tertiary Education Affairs & Services
 093102 Professional/Technical/Universities/Colleges
 LQ5242 Public Health Nursing School in Punjab

Final Grant		Rs.222,517,000/-
Actual Expenditure		Rs.205,665,079/-
Saving	(-)	Rs. 16,851,921/-
Percentage		7.57%

19.01.2015: The representative of Accountant General Punjab stated that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation.

17.08.2015: The Department explained that accounts had been reconciled with AG office and main reason for saving was that three cheques were not encashed by the Buildings Department while excess expenditure against the sub-head A011-2 was due to up-gradation of certain posts.

Report of PAC-II (2011-12)

The item was kept pending with the directions/recommendations that excess expenditure be got regularized by the Finance Department.

16.03.2016: The Department explained that in compliance with the directions of PAC-II dated, 17.08.2015, the regularization cases in respect of above items had already been referred to the Finance Department on 24.08.2015 but the decision thereon was still awaited. It was added that a reminder had also been sent to the Finance Department.

The Finance Department contended that the regularization cases were submitted without the probe reports.

The Committee directed that factual position of cases be intimated on 17.03.2016.

On 17.03.2016, the Additional Secretary (Monitoring) admitted that there was some delay on the part of Finance Department.

The Committee expressed its displeasure on non-finalization of regularization cases despite lapse of several months and directed/recommended that Finance Department should thrash out the reason for delay in the subject cases and take action against the incumbents under intimation to the PAC within 15 days.

The above item was kept pending.

(xxxvi)07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
MP4005 Nishtar Hospital/NMC Multan

Final Grant		Rs.2,113,258,000/-
Actual Expenditure		Rs.1,793,777,799/-
Saving	(-)	Rs. 319,480,201/-
Percentage		15.12%

19.01.2015: The representative of Accountant General Punjab stated that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation.

17.08.2015: The Department explained that matter had been referred to the Accountant General office for reconciliation who advised to approach the Finance Department for seeking regularization of excess expenditure.

The item was conditionally settled subject to regularization of excess expenditure against the sub-heads A011-1 and A011-2, by the Finance Department within 15 days.

16.03.2016: The Department explained that in compliance with the directions of PAC-II dated, 17.08.2015, the regularization cases in respect of above items had already been referred to the Finance Department on 24.08.2015 but the decision thereon was still awaited. It was added that a reminder had also been sent to the Finance Department.

The Finance Department contended that the regularization cases were submitted without the probe reports.

The Committee directed that factual position of cases be intimated on 17.03.2016.

On 17.03.2016, the Additional Secretary (Monitoring) admitted that there was some delay on the part of Finance Department.

The Committee expressed its displeasure on non-finalization of regularization cases despite lapse of several months and directed/recommended that Finance Department should thrash out the reason for delay in the subject cases and take action against the incumbents under intimation to the PAC within 15 days.

The above item was kept pending.

(xxxvii) 07 Health
 073 Hospital Services
 0731 General Hospital Services
 073101 General Hospital Services
LQ4035 Sialkot Medical College

Final Grant		Rs.52,790,000/-
Actual Expenditure		Rs.52,306,000/-
Saving	(-)	Rs. 484,000/-
Percentage		0.92%

19.01.2015: The Department explained that there were minor savings against various sub-heads while excess expenditure against the sub-head AO12-2 had been misprinted.

Saving being nominal, the Committee **settled the item.**

(xxxviii) 07 Health
 073 Hospital Services
 0731 General Hospital Services
 073101 General Hospital Services
LQ4012 Gujranwala Medical College

Final Grant		Rs.52,154,000/-
Actual Expenditure		Rs.38,573,260/-
Saving	(-)	Rs.13,580,740/-
Percentage		26.04%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant as the institution was newly established and there was no permanent faculty. However, excess expenditure against the sub-head A012-2 was due to posting of faculty after re-appropriation of funds.

The Committee settled the item with the directions that excess expenditure against the sub-head A012-2 be got regularized by the Finance Department.

Report of PAC-II (2011-12)

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

(xxxix) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4046 Sahiwal Medical College

Final Grant		Rs.52,109,000/-
Actual Expenditure		Rs.36,162,582/-
Saving	(-)	Rs.15,946,418/-
Percentage		30.60%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant while excess expenditure against the sub-head A012-2 was due to payment of leave salaries and medical charges.

The Committee conditionally settled the item subject to regularization of excess expenditure by the Finance Department.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

(xl) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4166 Model Chest Clinic Lahore

Final Grant		Rs.6,331,000/-
Actual Expenditure		Rs.5,986,259/-
Saving	(-)	Rs. 344,741/-
Percentage		5.45%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant.

The explanation of the Department was accepted and **the item was settled.**

(xli) 07 Health
073 Hospital Services
0731 General Hospital Services

073101 General Hospital Services
LQ4167 Dental Hospital Lahore

Final Grant		Rs.136,185,000/-
Actual Expenditure		Rs.130,239,140/-
Saving	(-)	Rs. 5,945,860/-
Percentage		4.37%

19.01.2015: The Department explained that saving had occurred because some posts were lying vacant while funds allocated for repair & maintenance of building could not be utilized due to time constraints.

The item was conditionally settled subject to regularization of excess expenditure by the Finance Department. It was further directed that proper explanation for excess/saving against each sub-head should be incorporated in working papers.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

(xlii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ5882 Lady Willington Hospital Lahore

Final Grant		Rs.406,532,000/-
Actual Expenditure		Rs.388,368,286/-
Saving	(-)	Rs. 18,163,714/-
Percentage		4.47%

19.01.2015: The Department explained that there was minor saving against various sub-heads while excess expenditure against the sub-head A011-2 was due to revision of pay scales.

The Committee directed/recommended that proper explanation for saving/excess against each sub-head should be incorporated in working papers.

The item was conditionally settled subject to condonation of excess expenditure by the Finance Department.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

(xliii) 07 Health
073 Hospital Services

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0731 General Hospital Services

073101 General Hospital Services

LW4096 Punjab Institute of Preventive Ophthalmology Lahore

Final Grant		Rs.37,633,000/-
Actual Expenditure		Rs.34,070,703/-
Saving	(-)	Rs. 3,562,297/-
Percentage		9.47%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant and excess expenditure against the sub-head A011-1 had been misprinted while there was actually saving against this sub-head.

The item was conditionally settled subject to reconciliation of figures with the office of Accountant General Punjab.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

(xliv) 07 Health

073 Hospital Services

0731 General Hospital Services

073101 General Hospital Services

MP4010 Children Complex Multan PH-II

Final Grant		Rs.345,514,000/-
Actual Expenditure		Rs.328,609,869/-
Saving	(-)	Rs. 16,904,131/-
Percentage		4.89%

19.01.2015: The Department explained that there were minor savings against various sub-heads while excess expenditure against the sub-head A011-1 was incurred due to filling of all the vacancies through transfer/posting.

The item was conditionally settled subject to condonation of excess expenditure by the Finance Department.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

(xlv) 07 Health

076 Hospital Administration

0761 Administration

076101 Administration

LQ4163 Provincial Blood Transfusion

Final Grant		Rs.350,227,000/-
Actual Expenditure		Rs.316,127,098/-
Saving	(-)	Rs. 34,099,902/-
Percentage		9.74%

19.01.2015: The Department explained that saving had occurred because supplementary funds were booked under the wrong head of account and some repair work could not be completed timely.

The Committee conditionally settled the item subject to condonation of excess expenditure against the sub-head A012-2 with the directions that proper explanation for saving/excess against each sub-head should be incorporated in working papers.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

- (xlvi) 07 Health
076 Hospital Administration
0761 Administration
076101 Administration

LQ4164 Central Medical Equipment Repair Workshop Lahore

Final Grant		Rs.7,177,000/-
Actual Expenditure		Rs.7,330,516/-
Excess	(+)	Rs. 153,516/-
Percentage		2.14%

19.01.2015: The Department explained that excess expenditure had been incurred due to posting of some staff.

The Committee conditionally settled the item subject to condonation of excess expenditure by the Finance Department.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

- (xlvii) 07 Health
076 Hospital Administration
0761 Administration

Report of PAC-II (2011-12)

076101 Administration

LQ4165 Audit Cell

Final Grant		Rs.10,968,000/-
Actual Expenditure		Rs.10,630,901/-
Saving	(-)	Rs. 337,099/-
Percentage		3.07%

19.01.2015: The Department explained that there were minor savings against various sub-head and excess expenditure against the sub-head A011-2 had been wrongly credited while as per factual position, there was saving of Rs.95,860/- against this sub-head.

The Committee settled the item subject to condonation of excess expenditure by the Finance Department. It was further directed that Finance Department must ensure proper training of all the DDOs across the Province.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

- (xlvi) 09 Education Affairs & Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093102 Professional/Technical/Universities/Colleges
LQ4154 Medical Schools

Final Grant		Rs.35,768,000/-
Actual Expenditure		Rs.36,092,051/-
Excess	(+)	Rs. 324,051/-
Percentage		0.91%

19.01.2015: The Department explained that excess expenditure had been incurred on account of Pay & Allowances due to promotion of certain officers and appointment of officials against some vacant posts.

The item was conditionally settled subject to condonation of excess expenditure by the Finance Department.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

- (xlix) 09 Education Affairs & Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services

093102 Professional/Technical/Universities/Colleges
LQ4155 College of Nursing Punjab

Final Grant		Rs.32,853,000/-
Actual Expenditure		Rs.31,794,269/-
Saving	(-)	Rs. 1,058,731/-
Percentage		3.22%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant.

The item was conditionally settled subject to condonation of excess expenditure against the sub-head A011-1 by the Finance Department with the directions that proper explanation against each sub-head should be incorporated in working papers.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

- (i) 09 Education Affairs & Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093102 Professional/Technical/Universities/Colleges
LQ4156 College of Community Medicine Lahore

Final Grant		Rs.154,550,000/-
Actual Expenditure		Rs.151,645,524/-
Saving	(-)	Rs. 2,904,476/-
Percentage		1.88%

19.01.2015: The Department explained that bulk of allocated funds had been utilized while excess expenditure against the sub-head A011-2 had been incurred due to up-gradation of various posts.

The item was conditionally settled subject to condonation of excess expenditure by the Finance Department.

17.08.2015: The Department explained that excess expenditure against various sub-heads of above item had been regularized by the Finance Department.

The Committee accordingly **settled the above item.**

- (ii) 07 Health
073 Hospital Services
0731 General Hospital Services

Report of PAC-II (2011-12)

073101 General Hospital Services

LQ4169 Other Hospitals & Dispensaries Mufassil Hospitals & Dispensaries

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.323,036,000/-	Rs.323,036,000/-
Actual Expenditure	Rs.305,859,518/-	Rs.305,887,518/-
Saving (-)	Rs. 17,176,482/-	Rs. 17,148,482/-
Percentage	5.32%	5.31%

19.01.2015: The Department explained that saving had occurred due to delayed release of supplementary grant and maturity of lesser medical claims. The Department added that as per reconciled figures, there was no excess expenditure against the sub-heads.

The item was conditionally settled subject to reconciliation of accounts given that there was no excess expenditure against any sub-head.

17.08.2015: The Department explained that accounts had been reconciled and there was saving of Rs.17,148,482/- against the final grant which was 5.31% of the final grant.

The Committee directed/recommended that excess expenditure against the sub-head A011-1 should be got regularized by the Finance Department within 15 days and proper explanation should be furnished for saving/excess against each sub-head.

The item was kept pending.

16.03.2016: The Department explained that in compliance with the directions of PAC-II dated, 17.08.2015, the regularization cases in respect of above item had already been referred to the Finance Department on 24.08.2015 but the decision thereon was still awaited. It was added that a reminder had also been sent to the Finance Department.

The Finance Department contended that the regularization cases were submitted without the probe reports.

The Committee directed that factual position of cases be intimated on 17.03.2016.

On 17.03.2016, the Additional Secretary (Monitoring) admitted that there was some delay on the part of Finance Department.

The Committee expressed its displeasure on non-finalization of regularization cases despite lapse of several months and directed/recommended that Finance Department should thrash out the reason for delay in the subject cases and take action against the incumbents under intimation to the PAC within 15 days.

The above item was kept pending.

(iii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4618 Kot Khawaja Saeed Hospital

Final Grant		Rs.133,889,000/-
Actual Expenditure		Rs.124,904,202/-
Saving	(-)	Rs. 8,984,798/-
Percentage		6.71%

19.01.2015: The Department explained that saving had occurred because funds had been provided through supplementary grant in May 2012. As such, the same could not be utilized due to time constraints. It was added that excess expenditure against the sub-head A011-2 was incurred due to appointment of staff against non-gazetted posts.

The Committee directed/recommended that an inquiry be conducted by the Administrative Department to thrash out the fluctuation against various sub-heads.

The item was kept pending.

17.08.2015: The Department explained that as per directions of PAC, an inquiry was conducted into the matter whereby it was concluded that saving had occurred due late release of funds by the Finance Department while excess expenditure against the sub-head A011-2 had been incurred due to recruitment against vacant posts and up-gradation of certain employees.

The item was conditionally settled subject to regularization of excess expenditure against the sub-head A011-2, by the Finance Department.

16.03.2016: The Department explained that in compliance with the directions of PAC-II dated, 17.08.2015, the regularization cases in respect of above item had already been referred to the Finance Department on 24.08.2015 but the decision thereon was still awaited. It was added that a reminder had also been sent to the Finance Department.

The Finance Department contended that the regularization cases were submitted without the probe reports.

The Committee directed that factual position of cases be intimated on 17.03.2016.

On 17.03.2016, the Additional Secretary (Monitoring) admitted that there was some delay on the part of Finance Department.

The Committee expressed its displeasure on non-finalization of regularization cases despite lapse of several months and directed/recommended that Finance Department should thrash out the reason for delay in the subject cases and take action against the incumbents under intimation to the PAC within 15 days.

The above item was kept pending.

- (liii) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ5879 Mayo Hospital Lahore

Report of PAC-II (2011-12)

Final Grant		Rs.2,309,694,000/-
Actual Expenditure		Rs.2,197,900,305/-
Saving	(-)	Rs. 111,793,695/-
Percentage		4.84%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant while excess expenditure had been incurred due to up-gradation of various posts and un-expected increase in death claims of employees.

The Committee directed/recommended that an inquiry be conducted by the Administrative Department to thrash out the fluctuation against various sub-heads.

The item was kept pending.

17.08.2015: The Department explained that an inquiry was conducted into the matter whereby it was concluded that saving had occurred because several posts were lying vacant. It was added that excess expenditure against the sub-head A011-2 was incurred due to up-gradation of several posts while excess expenditure against the sub-head A04 was due to direct submission of bills by the gazetted officers.

The Committee expressed its concern on direct submission of bills by certain officers and directed/recommended that matter be examined/sorted out by the Finance Department within 15 days under intimation to the PAC.

The item was conditionally settled subject to regularization of excess expenditure against the sub-heads A011-2 and A04, by the Finance Department.

16.03.2016: The Department explained that in compliance with the directions of PAC-II dated, 17.08.2015, the regularization cases in respect of above item had already been referred to the Finance Department on 24.08.2015 but the decision thereon was still awaited. It was added that a reminder had also been sent to the Finance Department.

The Finance Department contended that the regularization cases were submitted without the probe reports.

The Committee directed that factual position of cases be intimated on 17.03.2016.

On 17.03.2016, the Additional Secretary (Monitoring) admitted that there was some delay on the part of Finance Department.

The Committee expressed its displeasure on non-finalization of regularization cases despite lapse of several months and directed/recommended that Finance Department should thrash out the reason for delay in the subject cases and take action against the incumbents under intimation to the PAC within 15 days.

The above item was kept pending.

- (liv) 07 Health
073 Hospital Services
0731 General Hospital Services
073101 General Hospital Services
LQ4175 Ganga Ram Hospital FJMC Lahore

Final Grant		Rs.1,619,298,000/-
Actual Expenditure		Rs.1,386,852,680/-
Saving	(-)	Rs. 232,445,320/-
Percentage		14.35%

19.01.2015: The Department explained that saving had occurred because several posts were lying vacant and procurement was made at competitive rates. It was added that funds allocated for repair & maintenance could not be utilized because work was not completed within stipulated time.

The Committee settled the item with the directions/recommendations that matter be thrashed out by the Administrative Department whether penalty was imposed on the contractor for not completing the work within stipulated time and necessary action should be taken as per rules.

17.08.2015: The Department explained that in compliance with previous directions of PAC, an inquiry was conducted to thrash out the matter whereby it was concluded that imposition of penalty was not required because work was done and supplies were received within stipulated time. However, bills were not timely submitted by the suppliers.

The Committee **settled the item** with the directions that in future, such inquiry reports should be got vetted by the office of Accountant General Punjab.

3. Grant No. PC13034 (034) State Trading in Medical Stores & Coal: (All Voted)
Page 254 of Appropriation Accounts for the year 2011-12

04	Economic Affairs
041	General Economic, Commercial & Labour Affairs
0414	State Trading
041403	Medical Stores
LQ4390	Medical Stores Depot (LQ4390)

Final Grant		Rs.22,284,000/-
Actual Expenditure		Rs.23,105,252/-
Excess	(+)	Rs. 821,252/-
Percentage		3.69%

19.01.2015: The Department explained that excess expenditure had been incurred due to allocation of insufficient funds against the demand of the Department.

The Committee directed/recommended that an inquiry be conducted by the Administrative Department to thrash out the matter and report be submitted to the PAC within 30 days.

The item was kept pending.

Report of PAC-II (2011-12)

17.08.2015: The Department explained that in compliance with previous directions of PAC, an inquiry was conducted into the matter by Mr. Yousaf Nadeem, Deputy Director Finance, SIMS Lahore who concluded that no serious irregularity was committed and lenient view may be taken.

The Committee expressed its displeasure on findings of the inquiry report and directed/recommended that warning be issued to the inquiry officer and matter should be re-inquired by the some responsible officer.

The item was kept pending.

16.03.2016: The Department explained that as per previous directions of PAC, the matter had been re-inquired wherein it was concluded that excess expenditure had been incurred due to non-provision of requisite funds by the Finance Department.

On a query of the Committee, the Department failed to produce the 2nd statement of Excess & Surrender.

The Committee expressed its displeasure on casual attitude of the Department towards PAC business and **the item was kept pending** for reconciliation with the Finance Department.

4. Grant No. PC22036 (036) Development: (All Voted) Page 255 to 257 of Appropriation Accounts for the year 2011-12

- (i) 07 Health
073 Hospitals Services
0731 General Hospital Services
073101 General Hospital Services
LE4206 General Hospital Services

Final Grant		Rs.11,640,676,000/-
Actual Expenditure		Rs. 9,131,832,348/-
Saving	(-)	Rs. 2,508,843,652/-
Percentage		21.55%

19.01.2015: The Department explained that saving had occurred because some posts were lying vacant and procurement of physical assets could not be materialized. Moreover, funds allocated for repair & maintenance lapsed because different works were not finalized by the Building Department/contractors.

The Committee directed/recommended that PAO should examine the matter and warnings be issued to the officers responsible for lapse of huge amount of money. The item was conditionally settled subject to above directions.

17.08.2015: The Department explained that in compliance with previous directions of PAC, warnings had been issued to the concerned DDOs on account of lapse of huge amount of money.

The explanation of the Department was accepted and **the item was settled.**

- (ii) 07 Health
 074 Public Health Services
 0741 Public Health Services
 074120 Others (Other Health Facilities & Preventive Measures)
LE4216 Others (Other Health Facilities & Preventive Measures)

Final Grant		Rs.91,000,000/-
Actual Expenditure		Rs.90,889,107/-
Saving	(-)	Rs. 110,893/-
Percentage		0.12%

19.01.2015: The Department explained that allocated funds had been almost fully utilized and there was minor saving.

The **item was accordingly settled.**

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

1. Para No.7.4.1 Page 96 of Audit Report for the year 2011-12, Misappropriation of X-Ray films – Rs.1.207 million

AIR No. 13 Government Nawaz Sharif Hospital, Lahore

21.01.2015: The Department explained that Mr. Zahid Iqbal, Dental Technician was found responsible for misappropriation and major penalty of dismissal from service was imposed upon him along with recovery of Rs.1,200,000/- for which Revenue authorities had been approached to proceed for recovery as arrears of land revenue.

The Committee directed/recommended that case of the accused should be referred to Anti-corruption Establishment to ensure expeditious action against all the incumbents under intimation to the PAC.

The para was kept pending.

19.08.2015: The Department explained that disciplinary action had been taken against the accused official and the matter had also been reported to the Director General, Anti-Corruption Establishment.

The para was kept pending with the directions/recommendations that PAO should pursue the matter personally in order to expedite the proceedings of Anti-corruption Establishment.

17.03.2016: The Department explained that major penalty of removal from service had been imposed upon the accused and the matter had also been referred to the Anti Corruption Establishment.

The **para was kept pending** with the direction/recommendations that the case be perused vigorously and action against other supervisory officers/officials should also be taken by the PAO. Meanwhile, Store Management system be strengthened to avoid such lapses in future.

2. Para No. 7.4.2 Pages 97 & 98 of Audit Report for the year 2011-12, Loss due to shortage of stores – Rs.890,000/-

(i) 7.4.2.1 AIR No. 07 Ch. Pervaiz Elahi Institute of Cardiology, Multan – Rs.500,000/-

20.01.2015: The Department explained that store articles pointed out by Audit, were physically available which had been verified through a departmental inquiry. As such, no loss was involved in the matter.

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

(ii) 7.4.2.2 AIR No. 30 Mayo Hospital, Lahore – Rs.390,000/-

21.01.2015: The Department explained that an inquiry was conducted to thrash out the matter whereby it was concluded that all the store articles were available in store and entered in concerned stock registers.

The para was conditionally settled subject to physical verification of the stores by Audit.

19.08.2015: The Department explained that in compliance with previous directions of PAC, physical verification of the stores had been got conducted by Audit.

On the recommendations of Audit, **the para was settled.**

3. Para No.7.4.3 Pages 98 & 99 of Audit Report for the year 2011-12, Loss due to fraud/embezzlement –Rs.447,300/-

AIR No. 3 PGMI/LGH and Nursing School Lahore

21.01.2015: The Department explained that matter had been investigated and responsible officials had been terminated. Moreover, outstanding amount had been recovered which could be verified by Audit.

The Committee directed/recommended that PAO should examine the matter minutely and case against all the incumbents be referred to Anti-corruption Establishment within 15 days under intimation to the PAC.

The para was kept pending.

19.08.2015: The Department explained that an inquiry was conducted into the matter and resultantly, responsible officials had been terminated, outstanding amount had also been recovered and the concerned firm had also been black listed.

The Committee expressed its displeasure on non-compliance of its directions given in last meeting and directed/recommended that the case, involving criminal offense should be referred to Anti-Corruption Establishment for investigation/further action as per law.

The para was kept pending.

17.03.2016: The Department explained that in compliance with PAC directives, the matter had been referred to the Anti Corruption Establishment, Lahore and the outcome of the case was still awaited.

The Committee expressed its concern on absence of the Chief Executive of the subject institution without any intimation and directed/recommended that displeasure be conveyed to him by the Administrative Department.

Report of PAC-II (2011-12)

The Committee further expressed its displeasure on disciplinary action against two contractual employees only and directed/recommended that matter be examined by the PAO and action be taken against all other officials/officers responsible for the lapse.

The para was kept pending.

4. Para No.7.4.4 Pages 99 & 100 of Audit Report for the year 2011-12, Unauthorized expenditure from hospital receipt – Rs.18.764 million

(i) 7.4.4.1 AIR No. 06 Faisalabad Institute of Cardiology, Faisalabad – Rs. 10,572,997/-

20.01.2015: The Department explained that working balance of 8% of the budget was insufficient to meet the requirements and expenditure was incurred from receipts for smooth functioning of the institution.

Audit contended that expenditure could not be incurred directly out of receipts and all receipts were required to be credited to PLA.

The Committee directed/recommended that irregularity be got condoned by the Finance Department.

Subject to above directions, the para was conditionally settled.

18.08.2015: The Department explained that as per previous directions of PAC, a case for seeking condonation had already been moved to the Finance Department and decision thereon was still awaited.

The para was conditionally settled subject to decision of the Finance Department within 7 days.

16.03.2016: The Department explained that a case for seeking condonation had already been referred to Finance Department by the Administrative department along with inquiry report and decision thereon was still awaited.

The Committee deferred the consideration of the para with the directions that latest position should be reported by the Director Monitoring, Finance Department on 17.03.2016.

On 17.03.2016, the Additional Secretary (Monitoring) apprised that case for regularization had been submitted without probe report.

The para was kept pending with the directions that complete case alongwith probe report be submitted to Finance Department within 15 day.

(ii) 7.4.4.2 AIR No. 09 PGMI, LGH and Nursing School, Lahore – Rs. 8,190,876/-

21.01.2015: The Department explained that departmental receipts equal to 8% of the annual budget were allowed to be retained in public or private bank. As such, amount pointed out by Audit was within permissible limit.

Audit contended that receipts were required to be credited to PLA.

The Committee directed/recommended that irregularity be got condoned by the Finance Department and working balance equal to 8% of the budgetary allocation may be demanded in the early quarter of fiscal year to meet the requirements.

The para was conditionally settled subject to above direction.

19.08.2015: The Department explained that in compliance with previous directions of PAC that matter had been forwarded to the Finance Department for seeking regularization.

The para was conditionally settled subject to decision of the Finance Department within 7 days.

17.03.2016: The Department explained that in compliance with the previous directions of PAC, a reference was forwarded to the Finance Department which was returned for a fact finding inquiry. Accordingly, inquiry report had been forwarded to the Finance Department for seeking regularization.

The Committee expressed its displeasure on concerned officer for not being well-prepared for PAC meeting and **the para was conditionally settled** subject to decision of the Finance Department.

5. Para No.7.4.5 Pages 100 to 102 of Audit Report for the year 2011-12, Unauthorised expenditure due to non termination of services of re-employed personnel - Rs.10.167 million

(i) 7.4.5.1 AIR No. 10 University of Health Sciences, Lahore – Rs. 8,276,907/-

21.01.2015: The Department explained that services of employees had been discontinued and 3 employees would be discontinued in 2015. It was added that there was severe shortage of faculty in UHS and faculty members were distinguished professor. Moreover, the recruitments were in order as per advice of the Regulation Wing, S&GAD.

The Committee directed/recommended that aforesaid advice should be got verified in the light of statutes of UHS, Lahore.

Subject to above directions, the para was conditionally settled.

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19.08.2015: The Department explained that the matter had been placed before the Board of Governors and further action would be taken as per decision of the Board.

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

(ii) **7.4.5.2 AIR No. 32 Punjab Medical College and Allied Institutins, Faisalabad – Rs. 1,890,336/-**

20.01.2015: The Department explained that services of all the employees involved in Audit observation had been terminated except Mian Kamal-ud-Din, PSO, who had been terminated but his termination orders were later withdrawn by the competent authority. Similarly, Ch Imdad Ali, B&AO, was not holding a regular post and he was still working on daily wages.

The para was conditionally settled subject to verification of requisite record by Audit regarding irregular service period.

18.08.2015: The Department explained that as per previous directions of PAC, all the relevant record would be produced to Audit for verification.

The para was conditionally settled subject to verification of requisite record by Audit and regularization of irregular service period of Mr. Muhammad Khan, Director Security, by the Finance Department.

16.03.2016: The Department explained that the services of all the re-employed personnel had been terminated and a case for regularization had also been moved to the Finance Department and the decision thereon was still awaited.

Audit contended that record regarding termination of services of re-employed staff had not been produced for verification.

The Committee directed/recommended that all the relevant record should be produced to the Audit for verification and the case for the regularization be pursued vigorously.

The para was kept pending.

6. Para No.7.4.6 Pages 102 & 103 of Audit Report for the year 2011-12, Irregular purchase of machinery & equipment/medicine – Rs.6.601 million

AIR No. 4 Nishter Medical College/Hospital & Institute of Dentistry, Multan

20.01.2015: The Department explained that all the machinery and equipment had been purchased by inviting open tender and observing the purchase manual/PPRA rules.

The para was conditionally settled subject to verification of requisite record by Audit.

18.08.2015: The Department explained that as per previous directions of PAC, all the relevant record had been produced to Audit for verification.

On the recommendations of Audit, **the para was settled.**

7. Para No.7.4.7 Pages 103 & 105 of Audit Report for the year 2011-12, Loss due to payment of Sales Tax against law - Rs.2.665 million

- (i) **7.4.7.1 AIR No. 12 Sheikh Zayed Medical College/Hospital Rahim Yar Khan – Rs.2,467,301/-**

20.01.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit.

18.08.2015: The Department explained that requisite record regarding recovery of outstanding dues would be produced to Audit at the earliest.

The para was kept pending with the directions its amount be reduced to the extent of recovery verified by Audit.

16.03.2016: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above para was settled.**

- (ii) **7.4.7.2 AIR No. 12 College of Ophthalmology & Allied Vision Sciences, Lahore – Rs.197,392/-**

21.01.2015: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the para was settled** with the directions that financial controls be improved across the Department.

8. Para No.7.4.8 Pages 105 & 106 of Audit Report for the year 2011-12, Irregular payment of SEMS allowance beyond the sanctioned strength – Rs.2.631 million

- (i) **7.4.8.1 AIR No. 15 PGMI, LGH & Nursing School, Lahore – Rs.1,322,700/-**

21.01.2015: The Department explained that SEMS allowance was paid to the staff posted in A&E Department according to the sanctioned strength. However, due to large number

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of injuries on account of terrorism and accidents, some additional staff was posted in Emergency Department and SEMS allowance was paid to them.

The Committee conditionally settled the para subject to regularization of the expenditure on staff beyond sanctioned strength, by the Finance Department.

19.08.2015: The Department explained that in compliance with previous directions of PAC that matter had been forwarded to the Finance Department for seeking regularization.

The para was conditionally settled subject to decision of the Finance Department within 7 days.

17.03.2016: The Department explained that in compliance with the previous directions of PAC, the matter had already been referred to the Finance Department for seeking condonation and decision thereon was still awaited.

The **para was conditionally settled** subject to decision of the Finance Department.

(ii) 7.4.8.2 AIR No. 13 **Quaid-e-Azam Medical College & Allied Institutions, Bahawalpur– Rs.690,840/-**

20.01.2015: The Department explained that strength of charge nurses was increased due to inevitable circumstances as the number of patients had increased three times and it was not possible to keep the parity between old nurses and those newly appointed. Moreover, Administrative Department had been requested to approve the creation of posts.

The para was conditionally settled subject to regularization of the expenditure by the Finance Department.

18.08.2015: The Department explained that a case for condonation of the irregular payment had been moved to the Finance Department.

The Committee re-iterated its directions/recommendations that either SEMS allowance or additional charge allowance could be paid.

The para was kept pending till decision of the Finance Department.

16.03.2016: The Department explained that the case for regularization of expenditure had been resubmitted to the Finance Department along with inquiry report, which was still under process.

The **para was kept pending** with the directions/recommendations that Finance Department should decide the matter within 07 days under intimation to the PAC.

(iii) **7.4.8.3 AIR No. 17 Punjab Medical College & Allied Institutions, Faisalabad – Rs.509,343/-**

20.01.2015: The Department explained that due to non-availability of requisite candidates, additional charge was given to the doctors by the competent authority for smooth functioning of the A&E Department and SEMS allowance was allowed to them accordingly to rules and regulations.

The para was conditionally settled subject to verification of requisite record by Audit.

18.08.2015: The Department explained that SEMS allowance was paid to three officers who were within the sanctioned strength. As such, payment was in order.

The Director (Monitoring) Finance Department opined that if additional duties were assigned to officers, additional charge allowance only was admissible to them. As such, both additional charge allowance and SEMS allowance were not admissible simultaneously.

The para was conditionally settled subject to verification of above departmental contention by Audit.

16.03.2016: The Department explained that no over payment was involved in the para and the SEMS allowance was paid only to the staff working in Accident & Emergency Ward according to the sanctioned strength and all the relevant record in support of its contention was available for verification.

The **para was conditionally settled** subject to verification of requisite record by Audit.

(iv) **7.4.8.4 AIR No. 08 Punjab Institute of Cardiology, Lahore – Rs.108,180/-**

21.01.2015: The Department explained that six posts of Phlebotomists had been created through PC-I but rules for recruitment did not exist. Therefore, the BoM approved the change of nomenclature of the posts as Lab Assistants and SEMS allowance was paid to them.

The para was conditionally settled subject to regularization of the expenditure by the Finance Department.

19.08.2015: The Department explained that in compliance with previous directions/ recommendations of PAC, Finance Department had been approached for seeking regularization of the expenditure.

The para was kept pending till decision of the Finance Department.

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17.03.2016: The Department explained that as per findings of the Fact-Finding Inquiry Committee, recovery process had been initiated from the concerned employees through monthly installments.

The **para was kept pending** for recovery of outstanding dues.

9. Para No.7.4.9 Pages 106 to 109 of Audit Report for the year 2011-12, Unauthorized deposit/retention of receipts in Schedule Bank instead of PLA-Rs.411.539 million

(i) 7.4.9.1 AIR No. 01 Nishter Medical College & Allied Institutions, Multan – Rs.209,209,412/-

20.01.2015: The Department explained that in case of receipts generated from students of self-finance scheme, 40% amount was required to be deposited in PLA while 60% of the amount was college share as per instructions of the Finance Department.

The para was conditionally settled subject to verification of Finance Department's letter in support of departmental contention.

18.08.2015: The Department explained that as per advice of the Finance Department, 40% of the endowment fund was deposited into government treasury and 60% of the same could be retained by the Institute in commercial banks.

The Director (Monitoring) Finance Department and Audit contended that all receipts were required to be credited to PLA.

The Committee directed/recommended that irregularity be got condoned by the Finance Department and meanwhile, advice should be sought regarding future investments which should be responded by the Finance Department within 7 days.

Subject to above directions/recommendations, the para was conditionally settled.

16.03.2016: The Department explained that in compliance with PAC directive, a case for regularization had already been submitted to the Finance Department which was still under process.

The Director (Monitoring) Finance Department apprised the Committee that case for condonation had been sent without probe report.

The **para was kept pending** with the directions/recommendations that case for regularization should be re-submitted to the Finance Department at the earliest along with inquiry report and warnings be issued to the incumbents.

(ii) 7.4.9.2 AIR No. 13,30,34 & 49 Punjab Medical College & Allied Institutions, Faisalabad – Rs. 120,185,188/-

20.01.2015: The Department explained that as per Finance Department letter dated 7.4.1994, institution was allowed to retain 8% of the budgetary allocation in scheduled banks while the amount pointed out was lesser than permissible limit.

The Committee conditionally settled the para subject to verification of departmental contention by Audit.

18.08.2015: The Department explained that funds retained as working balance were less than permissible limit of 8% of the budget.

Audit contended that all receipts were required to be credited to PLA before allocation for reserve funds.

The para was conditionally settled subject to verification of relevant record by Audit with the directions/recommendations that future policy regarding reserve fund of the Institution should be got vetted by the Finance Department.

16.03.2016: The Department explained that total amount had been deposited into PLA and a case for regularization of the matter had also been referred to Finance Department along with inquiry report.

The Committee expressed its displeasure on late deposit of cash into PLA and directed/recommended that the warnings be issued to the all the responsible officer/officials.

The **para was kept pending** for seeking codonation by the Finance Department.

(iii) 7.4.9.3 AIR No. 02 Punjab Institute of Cardiology, Lahore – Rs.63,274,175/-

21.01.2015: The Department explained that charges collected from the patients were deposited in the scheduled bank and actual expenditure of treatment was charged while excess amount was refunded to the patient. Thereafter, the receipts were deposited into PLA on monthly basis. However, a case for regularization of the matter had been moved to the competent authority.

The para was conditionally settled subject to regularization with the directions that receipts should be deposited into PLA at the earliest.

19.08.2015: The Department explained that financial procedure regarding the receipts had been rectified and a case for seeking regularization of the matter had been moved to the Finance Department.

The para was conditionally settled subject to decision of the Finance Department.

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17.03.2016: The Department explained that in compliance with the directive of PAC, a case for seeking regularization had been referred to the Finance Department which was returned for submission of fact-finding inquiry report. Accordingly, the case had been resubmitted to the Finance Department. The PAO added that remedial measures were being considered to avoid such problems in future.

The **para was conditionally settled** subject to decision of the Finance Department with the directions/recommendations that such practices be strictly curtailed in future and further action on inquiry report should be taken by the Administrative Department.

(iv) **7.4.9.4 AIR No. 03 Faisalabad Institute of Cardiology, Faisalabad – Rs. 10,295,320/-**

20.01.2015: The Department explained that all the amounts received as Admission/Purchase fee were deposited into the bank account of the institution and no loss was sustained by the institute. However, in some cases, the amount was deposited after some delay and officials responsible for delayed deposits had been warned to be careful in future.

The Committee directed/recommended that an inquiry should be conducted by the PAO whether any embezzlement was involved and why the amounts were deposited after lapse of one year.

The para was kept pending.

18.08.2015: The Department explained that total amount had been deposited into PLA and no loss was sustained by the Government.

The Committee directed/recommended that matter should be reconciled with Audit and irregularity be got condoned by the Finance Department.

Subject to above directions, the para was conditionally settled.

16.03.2016: The Department explained that total amount had been deposited into PLA and a case for regularization of the matter had also been referred to Finance Department along with inquiry report.

The Committee expressed its displeasure on late deposit of cash into PLA and directed/recommended that the warnings be issued to the all the responsible officer/officials.

The **para was kept pending** for seeking condonation by the Finance Department.

(v) **7.4.9.5 AIR No. 08, PGMI, LGH & Nursing School, Lahore – Rs. 6,345,403/-**

(vi) **7.4.9.6 AIR No. 23, PGMI, LGH & Nursing School, Lahore – Rs. 2,229,252/-**

21.01.2015: The Department explained that total outstanding amount had been deposited into PLA which had been got verified by Audit.

The Committee directed/recommended that an inquiry be conducted by the PAO to thrash out as to why the funds were retained for several months and responsibility be fixed for the lapse under intimation to the PAC within 60 days.

The paras were kept pending.

19.08.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On recommendations of Audit, the above **paras were settled**.

10. Para No.7.4.10 Pages 109 & 110 of Audit Report for the year 2011-12, Unauthorized transfer of funds from SDA into bank account – Rs.60.961 million

AIR No. 1 Mayo Hospital, Lahore

21.01.2015: The Department explained that amount was required to be transferred for opening LC and saving was due to fluctuation in foreign currency rates.

The para was conditionally settled subject to verification of relevant record by Audit.

19.08.2015: The Department explained that funds had been transferred for opening LC and the same had been disbursed while savings had been deposited back into the treasury.

The para was kept pending for verification of requisite record by Audit.

17.03.2016: The Department explained that an amount of 47.933 million was spent on purchase through L.C and an amount of Rs. 8.636 million had already been deposited into Government Treasury while the remaining funds had also been utilized for the purposes other than L.Cs.

Audit contended that violation of rules/procedure had been committed by the Department which was required to be got regularized by the Finance Department.

The Committee directed /recommended that an enquiry be conducted into the matter to fix responsibility for the laps and thereafter, case be moved to the Finance Department for seeking condonation.

The **para was kept pending** till decision of the Finance Department.

11. Para No.7.4.11 Pages 110 & 111 of Audit Report for the year 2011-12, Undue financial benefit to contractor due to non-obtaining of performance security - Rs.21.909 million

AIR No. 11 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

21.01.2015: The Department explained that contract was awarded after observing all the codal formalities and pay order amounting to Rs.8.413 million was submitted by the firm instead of Rs.21.910 million. However, balance amount had also been deposited through bank guarantee.

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The Committee directed/recommended that PAO should order an inquiry into the matter for non-recovery of performance guarantee timely and responsibility be fixed for the lapse.

The para was kept pending.

19.08.2015: The Department explained that an inquiry was conducted into the matter and as per findings thereon, Finance Department had been approached for seeking regularization.

The para was kept pending till decision of the Finance Department.

17.03.2016: The PAO stated the consolidation and completion of the project was being considered and necessary remedial measures would be taken for this chronic project.

The **para was kept pending** for necessary action by the Administrative Department.

12. Para No.7.4.12 Pages 111 & 112 of Audit Report for the year 2011-12, Irregular Purchase of vehicles without approval of competent authority - Rs.3.466 million

AIR No. 44 Nishter Medical College/Hospital & Institute of Dentistry, Multan

20.01.2015: The Department explained that APV Suzuki Van had been provided by the Firm while in case of Hyundai Ambulance, the firm contended that production of vehicle had been discontinued by the manufacturer. It was added that an amount of Rs.700,000/- had been recovered and efforts were being made for balance recovery.

The Committee settled the para to the extent of APV Suzuki van while its portion relating to Hyundai Ambulance was kept pending with the directions/recommendations that recovery be effected from the concerned firm through arrears of land revenue.

18.08.2015: The Department explained that principal amount had been recovered while the case for recovery of mark up had been moved to Revenue Authorities. It was further contended that recovery of mark up was quite difficult, however, CDRs of the firm could be confiscated.

The Committee settled the para subject to confiscation of CDRs by the Department.

16.03.2016: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

13. Para No.7.4.13 Pages 112 & 113 of Audit Report for the year 2011-12, Non delivery of disposable items - Rs.1.268 million

AIR No. 07 Principal, Nishter Medical College & Allied Institutions, Multan

20.01.2015: The Department explained that surgical items had been purchased through LC after observing the codal formalities and LD charges had also been recovered from the contractor.

The para was conditionally settled subject to verification of relevant record regarding recovery of total outstanding dues.

18.08.2015: The Department explained that some additional record had been sought by Audit which would also be produced for verification.

The para was conditionally settled subject to verification of requisite record by Audit.

16.03.2016: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

14. Para No.7.4.14 Pages 113 & 114 of Audit Report for the year 2011-12, Loss due to non replacement of unconsumed drugs close to expiry - Rs.1.013 million

- (i) **7.4.14.1 AIR No. 5 & 17 Ch. Pervaiz Elahi Institute of Cardiology, Multan – Rs.639,336/-**
- (ii) **7.4.14.2 AIR No. 09 Lady Willingdon Hospital, Lahore – Rs. 374,000/-**

21.01.2015: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the paras were settled** with the directions that financial controls be improved across the Department.

15. Para No.7.4.15 Pages 114 & 115 of Audit Report for the year 2011-12, Irregular expenditure due to appointment of contingent paid staff - Rs.536,570/-

AIR No. 23 University of Health Sciences, Lahore

21.01.2015: The Department explained that most of the employees went on strike and their contracts were terminated. During intervening period, recruitments were made for short period on daily basis. It was added that recruitments were in order as per advice of the Regulation Wing, S&GAD.

The Committee directed/recommended that aforesaid advice should be got verified in the light of statutes of UHS, Lahore.

Subject to above directions, the para was conditionally settled.

19.08.2015: The Department explained that contingent paid staff was hired during the interim period when several employees had been terminated and new recruitment was in process.

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The Director (Monitoring) Finance Department contended that contingent paid staff ought to have been hired with approval of the Finance Department in view of the austerity measures of the Government.

The para was conditionally settled subject to regularization of the expenditure by the Finance Department.

17.03.2016: The Department explained that a case for seeking regularization of the expenditure had already been referred to the Finance Department and decision thereon was still awaited.

The Finance Department contended that regularization case was submitted without probe report.

The **para was kept pending** with the directions/recommendations that case be resubmitted properly and Finance Department should decide the matter at the earliest.

16. Para No.7.4.16 Pages 115 & 116 of Audit Report for the year 2011-12, Unauthorized expenditure on local purchase of medicines against Government Policy - Rs.464,027/-

AIR No. 1 Surgeon Medicolegal Punjab Lahore

21.01.2015: The Department explained that purchase of medicines was made for treatment of injured persons, brought for re-examination by the orders of courts and by the Medical Boards. The medicines were purchased in small quantity from registered medical stores.

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

17. Para No.7.4.17 Pages 116 & 117 of Audit Report for the year 2011-12, Acceptance of drugs/medicines having less prescribed shelf life – Rs. 239,730/-

AIR No. 2, T.B. Sanatorium Samli Murree

21.01.2015: The Department explained that necessary action in respect of above para had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the para was settled** with the directions that financial controls be improved across the Department.

18. Para No. 7.4.18 Pages 117 & 118 of Audit Report for the year 2011-12, Over payment of price variation – Rs. 58.664 million

AIR No. 2 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

21.01.2015: The above para was kept pending with the directions that an Inquiry Committee comprising representative each from the Administrative Department, Audit, Law and Finance Departments should probe into the matters raised in above Audit observations considering therein, whether penalty should also be imposed on the consultant. Moreover, a special Audit of the accounts of Fatima Jinnah Institute of Dental Sciences Lahore should be conducted to thrash out the whole project.

19.08.2015: It was informed that matter contained in above Paras was still under consideration of the Special Inquiry Committee appointed by the PAC in its last meeting.

The para was kept pending till submission of requisite inquiry report. The Committee also decided to withdraw its directions/recommendations for special audit of the Fatima Jinnah Institute of Dental Sciences, Lahore as the project was lying unfunded.

The para was kept pending.

17.03.2016: The PAO stated the consolidation and completion of the project was being considered and necessary remedial measures would be taken for this chronic project.

The **para was kept pending** for necessary action by the Administrative Department.

19. Para No.7.4.19 Pages 119 & 120 of Audit Report for the year 2011-12, Loss due to non recovery of liquidated damages charges – Rs.31.512 million

(i) **7.4.19.1 AIR No. 01,05 & 11 Faisalabad Institute of Cardiology, Faisalabad – Rs. 15,721,100/-, Rs.13,680,014/- and Rs.658,560/-**

20.01.2015: The Department explained Advance Para-wise position as under:-

AP No.1. Angiography machine was purchased from M/s SIEMENS Germany through their local office and no extension was made in shipment period. As such, demurrage charges and security deposit was not required and Audit observation was not justified.

AP NO.5 Gama Camera was purchased by establishing a letter of credit in favour of M/s Philip Health Care through their local representative and as per Performa invoice, the delivery was to be made within 3-4 months after establishment of letter of credit. The shipment was actually made on 29.3.2010 after delay of 4 months and 12 days for which a sum of Rs.3,430,036/- was recoverable while Audit had wrongly calculated the outstanding amount..

AP. No. 11 Diesel generator was purchased from M/s LDS Technologies UK by establishing letter of credit and the shipment was actually made on 1.2.2010 and no extension beyond the agreed period in performa invoice, was granted.

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The para was kept pending with the directions/recommendations that an inquiry be conducted by the PAO to thrash out the matter and fix responsibility for the lapse, if any. Moreover, PAO should also ensure necessary amendments in contract agreements of such cases.

18.08.2015: The Department explained that an inquiry was conducted into the matter whereby it was concluded that angiography machine and generator had been delivered as per agreement but Gamma Camera was delivered after delay of more than four months. As such, late delivery charges amounting to Rs.3.4 million were recoverable from the contractor.

The Committee directed/recommended that inquiry report be got vetted by Audit and recovery should be effected accordingly.

The para was conditionally settled subject to recovery of total outstanding dues and its verification by Audit.

16.03.2016: The Department explained that angiography machine and generator was delivered as per terms agreed in the performa invoice and letter of credit but gama camera was delivered after delay of four months and twelve days for which late delivery charges had been imposed on the contractor.

Audit contended that equipment was required to be delivered at FIC, Faisalabad as per agreement and as such late delivery charges were required to be imposed on the contractors.

The Committee directed/recommended that date of delivery at FIC, Faisalabad should be got verified by Audit and late delivery charges should be recovered accordingly.

The **para was kept pending** for recovery of outstanding dues.

(ii) **7.4.19.2 AIR No. 25 Nishter Medical College & Allied Institutions, Multan – Rs. 506,199/-**

20.01.2015: The Department explained that partial recovery had been effected on account of LD charges and efforts were being made for balance recovery.

The amount of para was reduced to the extent of recovery verified by Audit with the directions/recommendations that responsibility be fixed for the lapse and warnings be issued to the incumbents under intimation to the PAC.

The para was kept pending.

18.08.2015: The Department explained that partial amount had already been deducted at source from bills of the contractor. Subsequently, further recovery was effected and efforts were being made for balance recovery.

The para was kept pending for reconciliation/verification of relevant record by Audit.

16.03.2016: The Department explained that bulk of the recovery involved in the para had been effected on account of LD charges whereas in the case M/S Eastern Medical Technology, the LD charges were not admissible as the shipment was made well within the contractual period.

Audit contended that the department had not produced any record in support of its contention for verification. Moreover, purchase had been made according to Purchase Manual.

The Director (Monitoring) Finance Department opined that expenditure was incurred in violation of PPRA rules and as such, it was required to be got regularized by the Finance Department.

After detailed deliberations, the Committee noticed with concern that huge amount of public money was spent being on purchase of machinery/equipment for various health institutions while the same remained unutilized after several months/years. Similar observations were made by the Committee in case of buildings of Hospitals and Health Institutions. The Committee remarked that such practices were sheer violation of the financial principle of 'value for money'.

The Committee directed/recommended that Special/Performance Audit of purchase of machinery & equipment and establishment of new buildings for hospitals health institutions during last five years, should be conducted by the office of Auditor General of Pakistan to ensure fruitful utilization of public money.

The **para was kept pending** with the directions/recommendations that matter be thrashed out by the Administrative Department in collaboration with the Finance Department and Audit and a joint report thereon should be submitted to the PAC within 15 days.

(iii) 7.4.19.3 AIR No. 09 Nishter Medical College and Allied Institutions, Multan – Rs. 501,807/-

20.01.2015: The Department explained that partial recovery had been effected on account of LD charges and efforts were being made for balance recovery.

The amount of para was reduced to the extent of recovery verified by Audit with the directions/recommendations that responsibility be fixed for the lapse and warnings be issued to the incumbents under intimation to the PAC.

The para was kept pending.

18.08.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

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The para was conditionally settled subject to reconciliation/verification of total recovery by Audit.

16.03.2016: The Department explained that the partial recovery had been effected and strenuous efforts were being made for balance recovery. It was added that actual recoverable amount was required to be reconciled with Audit.

The Committee reduced the para to the extent of recovery verified by Audit and directed/recommended that matter should be reconciled. It was further directed/recommended that liaison officer be appointed by Audit for verification of record.

The para was kept pending.

(iv) **7.4.19.4 AIR No. 06 & 07 Lady Willingdon Hospital, Lahore – Rs. 177,736/-**

21.01.2015: The Department explained that out of 7 contractors involved in Audit observation, six firms had deposited the outstanding dues while one contractor was not traceable and efforts were being made for recovery from him.

The Committee reduced the para subject to verification of recovery by Audit with the directions/recommendations that defaulting contractor should be blacklisted and matter be pursued vigorously.

The para was kept pending.

19.08.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit.

17.03.2016: The Department explained that entire outstanding amount had been recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

(v) **7.4.19.5 AIR No. 04 & 10 Children Hospital, Lahore – Rs. 139,992/- & Rs.126,812/-**

21.01.2015: The Department explained that partial recovery had been effected while in case of M/s Universal Company, concerned DCO had been approached for recovery as arrears of land revenue and the firm had been blacklisted.

The para was kept pending for recovery of outstanding dues.

19.08.2015: The Department explained that in compliance with previous directions of PAC, the defaulting firm had been blacklisted and partial recovery had also been effected

while the case for balance amount was pending with DCO, Lahore for recovery as arrears of land revenue.

The Committee directed/recommended that amount of para be reduced to the extent of recovery verified by Audit and the case for balance recovery should be pursued vigorously.

The para was kept pending.

17.03.2016: The Department explained a sum of Rs. 139,992/- had already been recovered and got verified by Audit while balance amount was outstanding against M/s Universal Company Pakistan for which DCO Lahore had been approached to recover the amount as Arrears of Land Revenue Act. It was added that said firm had also been black-listed.

The Committee reduced the para to the extent of recovered amount and remaining portion of **the para was kept pending** with the directions/recommendations that all the pending Land Revenue recovery cases should be expedited and the concerned firm should be black-listed along with CNIC number of owner/proprietor.

20. Para No.7.4.20 Pages 120 & 121 of Audit Report for the year 2011-12, Unjustified payment of price variation due to non-recording of the date of entry in the measurement sheet - Rs.28.553 million

AIR No. 5 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

21.01.2015: The above para was kept pending with the directions that an Inquiry Committee comprising representative each from the Administrative Department, Audit, Law and Finance Departments should probe into the matters raised in above Audit observations considering therein, whether penalty should also be imposed on the consultant. Moreover, a special Audit of the accounts of Fatima Jinnah Institute of Dental Sciences Lahore should be conducted to thrash out the whole project.

19.08.2015: It was informed that matter contained in above para was still under consideration of the Special Inquiry Committee appointed by the PAC in its last meeting.

The para was kept pending till submission of requisite inquiry report. The Committee also decided to withdraw its directions/recommendations for special audit of the Fatima Jinnah Institute of Dental Sciences, Lahore as the project was lying unfunded.

17.03.2016: The PAO stated the consolidation and completion of the project was being considered and necessary remedial measures would be taken for this chronic project.

Report of PAC-II (2011-12)

The **para was kept pending** for necessary action by the Administrative Department.

21. Para No.7.4.21 Pages 122 & 123 of Audit Report for the year 2011-12, Loss due to non deduction of X-Ray films cost from shares– Rs.12.696 million

- (i) 7.4.21.1 AIR No. 21 Nishter Medical College & Allied Institutions, Multan – Rs. 7,271,064/-
- (ii) 7.4.21.2 AIR No. 12 Nishter Medical College & Allied Institutions, Multan – Rs. 3,673,297/-
- (iii) 7.4.21.3 AIR No. 18 Ch. Pervaiz Elahi Institute of Cardiology, Multan – Rs.771,472/-
- (iv) 7.4.21.4 AIR No. 05 Children Hospital & Institute of Child Health, Multan – Rs.639,833/-
- (v) 7.4.21.5 AIR No. 10 Ch. Pervaiz Elahi Institute of Cardiology, Multan – Rs.339,840/-

20.01.2015: The Department explained that cost of X-Ray films @ 10% was being recovered before distribution of hospital share among the employees.

Audit contended that calculation of share was being made wrongly which ought to be rectified.

The Committee directed/recommended that PAO should examine the matter and review the share distribution formula as per rules.

The paras were kept pending.

18.08.2015: The Department explained that an inquiry had been conducted into the matter whereby it was concluded that recovery was not possible in the subject case as the share money had already been distributed.

The Committee observed that 100% cost of X-Ray films ought to be deducted from the receipts before distribution of share. It was directed/recommended that PAO should examine the matter and issue policy instructions for the purpose. Meanwhile, the loss pointed out by Audit, be got condoned by the Finance Department.

The paras were conditionally settled subject to above directions.

16.03.2016: The Department explained that in compliance with the previous directions of PAC, a general policy/formula had been devised and approved by the Health Department for recovery of the subject dues.

The Committee **kept the above paras** pending with the directions/recommendations that the previous outstanding dues should be recovered at the earliest.

22. Para No.7.4.22 Pages 123 & 124 of Audit Report for the year 2011-12, Non recovery of medical treatment charges - Rs.4.812 million

AIR No. 4 Punjab Institute of Cardiology, Lahore

21.01.2015: The Department explained that collection of bills from client departments was a continuous process and bulk of the amount pointed out by Audit, had been recovered leaving a balance of only Rs.370,000/-.

The Committee settled the para subject to recovery of balance amount.

19.08.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit.

16.03.2016: The Department explained that entire outstanding dues from client departments of Federal Government had already been recovered and relevant record had also been verified by Audit.

The Committee **settled the para** with the directions/recommendations that necessary steps should be taken for at source recovery of such dues from the client departments and reference for the purpose, be timely moved to the Finance Department, in future.

23. Para No.7.4.23 Pages 125 & 126 of Audit Report for the year 2011-12, Undue financial aid to the contractor due to allowing secured advance on perishable/breakable/below specification tiles - Rs.7.380 million

AIR No. 9 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

21.01.2015: The above para was kept pending with the directions that an Inquiry Committee comprising representative each from the Administrative Department, Audit, Law and Finance Departments should probe into the matters raised in above Audit observations considering therein, whether penalty should also be imposed on the consultant. Moreover, a special Audit of the accounts of Fatima Jinnah Institute of Dental Sciences Lahore should be conducted to thrash out the whole project.

19.08.2015: It was informed that matter contained in above Paras was still under consideration of the Special Inquiry Committee appointed by the PAC in its last meeting.

The para was kept pending till submission of requisite inquiry report. The Committee also decided to withdraw its directions/recommendations for special audit of the Fatima Jinnah Institute of Dental Sciences, Lahore as the project was lying unfunded.

17.03.2016: The PAO stated the consolidation and completion of the project was being considered and necessary remedial measures would be taken for this chronic project.

Report of PAC-II (2011-12)

The **para was kept pending** for necessary action by the Administrative Department.

24. Para No.7.4.24 Pages 126 & 127 of Audit Report for the year 2011-12, Loss of revenue due to non deduction of Income Tax - Rs.7.130 million

(i) 7.4.24.1 AIR No. 16 Fatima Jinnah Institute of Dental Sciences, Lahore – Rs.3,943,679/-

21.01.2015: The Department explained that concerned firm had already deposited the income tax and relevant challans were available for verification.

Audit contended that payment was made in respect of IPC No.1 to 15 while same was pending in case of IPC 16 to 18.

The para was conditionally settled subject to complete recovery and its verification by Audit.

19.08.2015: The Department explained that work was suspended due to non-availability of funds and adjustment of accounts would be made on receipt of funds.

The para was kept pending with the directions/recommendations that PAO should take up the matter with Planning & Development Department to get the fate of the project decided at the earliest.

17.03.2016: The PAO stated the consolidation and completion of the project was being considered and necessary remedial measures would be taken for this chronic project.

The **para was kept pending** for necessary action by the Administrative Department.

(ii) 7.4.24.2 AIR No. 06 & 10 Children Hospital, Lahore – Rs. 1,767,768/-

21.01.2015: The Department explained that store items were imported by the supplier who gave an undertaking that income tax had been deducted at the time of import. As such, income tax was not recoverable.

The Committee directed/recommended that income tax return be sought from the concerned firms failing which recovery should be imposed on them or relevant rules of FBR in support of departmental contention be produced to Audit.

The para was kept pending.

19.08.2015: Audit stated that despite previous directions/recommendations of PAC, income tax returns had not yet been produced by the Department except in cases of two vendors.

The representative of concerned departmental formation failed to render proper explanation regarding Audit observations.

The para was kept pending with the directions/recommendations that outstanding dues should be recovered from the concerned firms under intimation to the PAC within 60 days.

17.03.2016: The Department explained that in case of AIR No.10, the concerned Firm M/S Universal Company had been black listed while, in case of AP No. 06, total outstanding amount had been recovered from the concerned firm.

The Committee expressed its concern on non-deduction of Income Tax at source, by the concerned DDO and directed/recommended that warning be issued to the concerned DDO.

The **AIR No.6 was conditionally settled** subject to transfer of recovered amount into relevant account of FBR and its verification by Audit within 30 days and **AIR No.10 was kept pending.**

(iii) **7.4.24.3 AIR No. 15 Quaid-e-Azam Medical College and Allied Institutions, Bahawalpur– Rs.732,731/-**

20.01.2015: The Department explained that income tax @1% instead of @3.5% was applicable on pharmaceutical items which had been recovered while in certain cases, income tax was not applicable on imported items.

The para was kept pending with the directions/recommendations that documentary evidence in support of departmental contention, be produced to Audit failing which outstanding dues should be recovered from the concerned firms.

18.08.2015: The Department explained that actual outstanding amount had already been recovered which could be verified by Audit.

The para was conditionally settled subject to reconciliation and verification of actual recovery by Audit.

16.03.2016: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled.**

(iv) **7.4.24.4 AIR No. 3 & 8 Govt. Muhammad Nawaz Sharif Hospital, Lahore – Rs.439,307/-**

Report of PAC-II (2011-12)

21.01.2015: The Department explained that a sum of Rs.129,513/- had been recovered while a sum of Rs.309,794/- was not deducted because concerned firms were exempted from income tax.

The Committee directed/recommended that income tax return be sought from the concerned firm and Finance Department should issue instructions regarding such matters in consultation with the FBR and a comprehensive note for the purpose be moved by the Administrative Department.

The para was reduced and kept pending.

19.08.2015: The Department explained that income tax return had been received from the concerned firm which would be produced to Audit for verification and requisite reference had also been moved to the Finance Department.

The para was kept pending for verification of relevant record by Audit with the directions/recommendations that Finance Department should expedite necessary action regarding previous directions of PAC on the subject issue.

17.03.2016: The Department explained that the bulk of the outstanding amount had already been recovered and matter regarding exemption of Income Tax had also been taken up with Finance Department for seeking clarification.

The Additional Secretary, Finance Department contended that the Administrative Department should directly approach the FBR for seeking clarification.

The Committee reduced the amount of the para to the extent of recovery verified by Audit and directed/recommended that clarification from FBR be sought by the Administrative Department.

The para was kept pending.

(v) **7.4.24.5 AIR No. 05 Demontmorecy College of Dentistry, Lahore – Rs. 127,656/-**

21.01.2015: The Department explained that outstanding amount had been recovered while some imported items were exempted from tax.

The para was conditionally settled subject to verification of requisite record by Audit.

19.08.2015: The Department explained that total outstanding amount had been recovered while one firm had submitted documentary evidence regarding deduction of income tax.

The para was conditionally settled subject to verification of relevant record by Audit.

17.03.2016: The Department explained that an amount of Rs. 97,293/- had been recovered and deposited into the relevant FBR account while the balance amount of

Rs.30,363/- pertained to M/S Imperial Dental Supply Company and the firm had provided undertaking/certificate for exemption/bill of entry from FBR.

Audit contended that Department was required to recover the balance amount as it had failed to produce the bill of landing along with detail of import.

The Additional Secretary (Monitoring) Finance Department also endorsed the viewpoint of Audit.

After detailed deliberations the Committee directed/recommended that outstanding amount of Rs.30,602/- should be recovered at the earliest.

The para was kept pending.

(vi) 7.4.24.6 AIR No. 15 Nishter Medical College & Allied Institutions, Multan – Rs. 119,339/-

20.01.2015: The Department explained that income tax @ 1% had been deducted from dues of M/s Medipoint Pharmaceuticals Multan while M/s Freesia Enterprises were exempted from income tax as they had paid the same at the time of import being original importers of Latex surgical gloves. In case of printing of stationery items, the Department stated that it was not a service rendered rather the firms supplied printed material and income tax @ 3.5 % was deducted from their bills.

The para was conditionally settled subject to verification of relevant rules in support of departmental contention, by Audit.

18.08.2015: The Department explained that actual amount on account of Income Tax had already been recovered while M/s Freesia Enterprises were exempted from Income Tax and Income Tax on printing of stationary items had been wrongly calculated by Audit.

The Committee settled the 'Part A' of the para involving Rs.80,612/- and directed/recommended that an advice be sought from FBR in case of 'Part C' and record in case of 'Part B' be produced to Audit for verification.

The para was conditionally settled subject to above directions/recommendations.

16.03.2016: The Department explained that the actual amount on account of Income Tax had already been recovered and in case of printing of stationary items. Audit had wrongly calculated the amount of Income Tax @ 6% as it was not a service rendered rather the firm supplied the printed material and income tax @ 3.5% had already been deducted.

The Director (Monitoring) Finance Department also endorsed the departmental contention.

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

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25. Para No.7.4.25 Pages 127 & 129 of Audit Report for the year 2011-12, Non/less recovery of rent, utility charges and income tax from contractors – Rs.6.543 million

(i) 7.4.25.1 AIR No. 07 Mayo Hospital, Lahore – Rs. 4,176,900/-

21.01.2015: The Department explained that only one site was handed over to the contractor for pharmacy while remaining two sites were never handed over to him for which the matter was subjudice in the court.

The Committee directed/recommended that PAO should examine the matter as per rules and pharmacy sites should be rented out through open bidding.

The para was kept pending.

19.08.2015: The Department explained that out of three sites involved in Audit observation, only one site for pharmacy was handed over to the contractor whereas the remaining two sites remained vacant.

The Director (Monitoring) Finance Department opined that violation of financial rules had been committed by awarding the contract for 7 years.

The Committee directed/recommended that matter should be examined by a Joint Committee of Audit and Finance Department and responsibility be fixed for the lapse. Meanwhile, the Administrative Department should take necessary measures to resolve the issue of Pharmacy at the earliest.

The para was kept pending.

17.03.2016: The Department explained that as per previous directions of PAC, a Joint Inquiry Committee of Administrative Department, Audit and Finance Department had been constituted to thrash out the matter and but report thereon could not be finalized due to non-production of record.

The **para was kept pending** with the directions/recommendations that PAO should expedite the matter and inquiry report be furnished at the earliest.

(ii) 7.4.25.2 AIR No. 01& 30 Rawalpindi Medical College & Allied Hospitals, Rawalpindi – Rs. 1,949,644/-

20.01.2015: The Department explained that matter regarding AP. No.1 was subjudice in the court while in case of AP. No.30, hectic efforts were being made for recovery as arrears of land revenue.

The para was kept pending with the directions that PAO should take up the matter with concerned DCO.

18.08.2015: The Department explained that matter regarding AP No.1 was subjudice in the court while in case of AP. No.33, a sum of Rs.232,834/- had been recovered and efforts were being made for balance recovery.

The para was kept pending with the directions that its amount be reduced to the extent of recovery verified by Audit.

16.03.2016: The Department explained that in case of AP. No.01, partial recovery had been effected and a case involving balance amount was subjudice in the court. In case of AP No.33, the case for recovery as arrears of land revenue had been referred to DCO Rawalpindi.

The Committee reduced the amount of para to the extent of recovery verified by Audit with the directions/recommendations that matter be pursued vigorously.

Being subjudice, the **para was kept pending**.

(iii) 7.4.25.3 AIR No. 02 PGMI, LGH and Nursing School, Lahore – Rs. 157,716/-

21.01.2015: The Department explained that total outstanding amount had been recovered from the contractor which could be verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit.

19.08.2015: The Department explained that total outstanding amount had been recovered which would be produced to Audit for verification.

The para was conditionally settled subject to verification of relevant record by Audit.

17.03.2016: The Department explained that bulk of the outstanding amount had already been recovered while balance amount of Rs.34,716/- was actually deposited into NBP/SBP but tax period was erroneously written due to some clerical mistake on the part of NBP staff.

The **para was conditionally settled** subject to reconciliation/verification of recovery by Audit.

(iv) 7.4.25.4 AIR No. 06 King Edward Medical University, Lahore – Rs. 130,000/-

21.01.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit within 7 days.

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19.08.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On recommendations of Audit, the above **para was settled**.

(v) **7.4.25.5 AIR No. 04 Demontmorecy College of Dentistry, Lahore – Rs. 128,730/-**

21.01.2015: The Department explained that amount pointed out by Audit had been recovered while income tax had not been included in initial observation. As such, a meager amount was outstanding but the contractor was not traceable.

The Committee accepted the explanation of the Department and **settled the para**.

26. Para No. 7.4.26 Pages 129 to 131 of Audit Report for the year 2011-12, Non/less recovery of HRA, CA and house maintenance charges – Rs.5.856 million

(i) **7.4.26.1 AIR No. 7 & 12 Quaid-e-Azam Medical College and Allied Institutions, Bahawalpur – Rs.1,886,390/- and Rs.260,076/-**

20.01.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery while in certain cases recovery was not due as per rules.

The para was reduced to the extent of recovery verified by Audit and its remaining portion was kept pending with the directions that balance recovery should be expedited within 90 days.

18.08.2015: The Department explained that in case of AP.No.7, some of officers were residing in accommodations below their entitlement, case of Dr. Naseem Akhtar was subjudice in the court and partial recovery was effected from Dr. Arif Ahmad Zaidi whereas DCO Bahawalpur had been approached for recovery from Mr. Bashir Ahmed Rahi. In case of AP No. 12, the Department stated that medical officers and hostel warden were performing residential duties and they were exempted from deduction of 5% house rent.

The para was kept pending for reconciliation/recovery of outstanding dues with the directions/recommendations that posting orders of residential officers should be rectified by the competent authority and a circular in this regard should be issued by the Administrative Department.

16.03.2016: The Department explained that the Draft Para was consists of two Advance Paras:

AP No. 07

16.03.2016: It was contended that Dr. Jamshaid Iqbal and Dr. Munawar Jamil were occupying B-type residences while the case of Dr. Naseem Akhtar was subjudice in the court and DCO Bahawalpur had been approached for recovery of outstanding dues from Mr. Bashir Ahmed Rahi. In case of Dr. Arif Ahmed Zaidi, a sum of Rs.287,214/- had been recovered while balance amount was not due as he was performing duties as Hostel Warden.

Audit contended that no documentary evidence was produced by the Department in support of above contention.

The Committee directed/recommended that outstanding dues be recovered from Dr. Jamshaid Iqbal and Dr. Munawar Jamil and record be produced to Audit in respect of Dr. Arif Ahmed Zaidi and the cases of remaining two doctors should be pursued vigorously.

The AP was kept pending.

AP No. 12,

16.03.2016: The Department explained that record pertaining to certain medical officers had already been got verified by Audit while in case of remaining doctors involved in Audit observation, they were performing residential duties as per orders of hospital authorities and a certificate in this regard had been issued by the concerned Medical Superintendent.

The **AP was conditionally settled** subject to verification of aforesaid certificate by Audit.

(ii) 7.4.26.2 AIR No. 01 Children Hospital, Lahore – Rs.1,826,232/-

21.01.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit;

19.08.2015: The Department explained that actual outstanding amount came to Rs.1,436,875/- instead of Rs. 1,826,232/- which had already been recovered and relevant record had also been produced to Audit for verification.

The para was kept pending with the directions/recommendations that recoverable amount be reconciled with Audit and complete recovery should be effected accordingly, within 30 days, under intimation to the PAC.

17.03.2016: The Department explained that bulk of the outstanding amount had been recovered and efforts were being made to recover the balance outstanding dues.

The Committee reduced the para to the extent of recovery verified by Audit and directed/ recommended that warnings be issued to the DDO, responsible for the lapse.

The para was kept pending.

(iii) 7.4.26.3 AIR No. 07 Ch. Pervaiz Elahi Institute of Cardiology, Multan – Rs.1,126,308/-

20.01.2015: The Department explained that room rent of the Doctor's hostel was assessed by the Building Department and all the residents of hostel made payment accordingly. It was added that proper residence as per entitlement had not been provided to doctors and nursing superintendent, therefore, house rent was not required to be recovered.

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Audit contended that Officers had occupied 2 to 6 rooms of the hostel and residing with their families.

The Committee directed/recommended that Administrative Department should thrash out the matter and ensure that no officer occupied more than one room.

The para was conditionally settled subject to report of Administrative Department and verification of relevant record by Audit.

18.08.2015: The Department explained that a detailed inquiry was conducted into the matter and further action would be taken as per recommendations of inquiry report. It was added that great inconvenience was suffered by the doctors who had been invited to join the Institute with assurance to provide the furnished accommodation.

The Committee directed/recommended that recoverable amount be reconciled with Audit and either room rent assessed by Building Department or house rent allowance be deducted preferably whichever is less and a policy decision in this regard should be taken in consultation with Finance Department.. It was strongly recommended that necessary measures should be taken to facilitate the doctors of the Institute in the public interest.

The para was kept pending.

16.03.2016: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovery verified by Audit and directed that balance recovery should be expedited.

The para was kept pending.

(iv) 7.4.26.4 AIR No. 03 Lady Willingdon Hospital, Lahore – Rs. 706,520/-

21.01.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery while an amount of Rs.194,479/- was not recoverable because concerned officer had not been allotted designated residence while entrusted with the duties of DMS as well as hostel warden.

The Committee directed/recommended that recoverable amount be reconciled with Audit and outstanding amount be recovered at the earliest.

The para was kept pending.

19.08.2015: The Department explained that partial amount had been recovered while balance outstanding dues would also be recovered in due course.

The para was kept pending with the directions that its amount be reduced to the extent of recovery verified by Audit.

17.03.2016: The Department explained that Dr. Muhammad Sharif (AMS) had been directed to deposit the outstanding amount but he contended that he had been occupying residence below entitlement. Whereas, in case of Dr. Akhtar Mehmood Malik (DMS), partial recovery had been effected and balance amount was not due as the said officer was performing additional duties and no official accommodation was provided to him.

The Committee directed/recommended that Administrative Department should examine the matter and certificates in support of above contention be produced to Audit for verification.

The **para was kept pending** for reconciliation of outstanding dues with Audit.

(v) **7.4.26.5 AIR No. 16 Secretary Government of Punjab Health Department, Lahore – Rs. 50,952/-**

21.01.2015: The Department explained that two officer had been transferred to S & GAD and all the concerned officers had been directed to produce rent clearance certificate from the Rent Controller.

The para was kept pending with the directions that Finance Department should ensure recovery of outstanding dues from the transferred officers.

19.08.2015: The Department explained that partial recovery had been effected and efforts were being made for recovery of outstanding dues. It was added that one senior clerk was exempted from deduction of 5% house rent while two officers had been transferred to S & GAD and several reminders had been issued to them.

The para was kept pending with the directions that reference regarding transferred officers should be submitted to the PAC.

17.03.2016: The Department reiterated its earlier stance that matter had been referred to the S&GAD because concerned officials/officers had been transferred to the S&GAD.

The **para was kept pending** with the directions/recommendations that proper mechanism be devised in collaboration with Accountant General Office for recovery of outstanding dues.

27. Para No.7.4.27 Pages 131 & 132 of Audit Report for the year 2011-12, Loss due to purchase of Dialyzer at higher rates - Rs.5.544 million

AIR No. 2 Principal, Nishter Medical College & Allied Institutions, Multan

20.01.2015: The Department explained that Audit observation was based on comparison of rate between NMI, Multan and LGH, Lahore. As per factual position, Dialyzer with blood tubing were provided to NMI, Multan while the same without blood tubing was supplied to LGH, Lahore. It was added that copy of rate contract of LGH, Lahore along with clarification of the contractual firm, was available for verification.

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The para was conditionally settled subject to verification of requisite record by Audit.

19.08.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On recommendations of Audit, the above **para was settled**.

28. Para No.7.4.28 Pages 132 & 133 of Audit Report for the year 2011-12, Non/less recovery of electricity charges - Rs.4.970 million

(i) 7.4.28.1 AIR No. 05 Mayo Hospital, Lahore – Rs.2,040,238/-

21.01.2015: The Department explained that total outstanding amount had been recovered on account of electricity charges which had also been got verified by the treasury/officer concerned.

The para was conditionally settled subject to verification of treasury challans by Audit. It was further directed/recommended that separate meters should be installed at residences instead of bulk supply.

19.08.2015: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The **para was accordingly settled**.

(ii) 7.4.28.2 AIR No. 07 Nishter Medical College & Allied Institutions, Multan – Rs.1,891,689/-

(iii) 7.4.28.3 AIR No. 10 Quaid-e-Azam Medical College and Allied Institutions, Bahawalpur – Rs.636,559/-

20.01.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The paras were conditionally settled subject to verification of requisite record by Audit.

19.08.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On recommendations of Audit, the above **paras were settled**.

(iv) 7.4.28.4 AIR No. 16 Nishter Medical College & Allied Institutions, Multan – Rs.401,918/-

20.01.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit.

18.08.2015: The Department assured that requisite record would be produced to Audit for verification.

The para was conditionally settled subject to verification of requisite record by Audit within 30 days.

16.03.2016: The Department explained that actual outstanding amount of Rs.278, 618/- had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

29. Para No.7.4.29 Pages 133 & 134 of Audit Report for the year 2011-12, Loss due to unauthorized payment of special incentive allowance – Rs. 4.74 million

PMC & Allied Institutions Faisalabad

20.01.2015: The Department explained that incentive objected by Audit, had been approved by the BOM as per rules and expenditure for the purpose was met from internal resources of the institution.

The Committee directed/recommended that a special committee under the Convenorship of Additional Secretary, Health Department, comprising a representative each from Finance and Audit, should examine the matter whether due approval had been granted by the competent authority and report be submitted to the PAC.

The para was conditionally settled subject to recommendations of the aforesaid special committee.

18.08.2015: The Department explained that as per directions of PAC, an inquiry was conducted into the matter and report thereon had been moved to Audit for signature.

The para was kept pending with the directions/recommendations that recommendations of Inquiry Committee should be finalized at the earliest under intimation to the PAC.

16.03.2016: The Department explained that in compliance of PAC directive the a Fact Finding Inquiry Committee under the chairmanship of Additional Secretary (Establishment), Health Department was constituted whereby it was concluded that BoM

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was competent under Punjab Medical & Health Institution Act, 2003 for sanctioning special pay/ allowances to the employees.

The Finance Department opined that the BOM couldn't grant pay & allowance without the prior approval of the Government.

Audit contended that irregular expenditure was required to be got regularized by the Government.

The Committee was not satisfied with the explanation of the department and directed/recommended that seek *ex-post facto* sanction of the expenditure be sought from the Competent Authority.

Subject to approval of the Competent Authority, the **para was conditionally settled.**

30. Para No.7.4.30 Pages 134 to 136 of Audit Report for the year 2011-12, Overpayment of escalation due to adoption of incorrect prevalent rates/date of entry - Rs.4.120 million

AIR No. 8 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

31. Para No.7.4.32 Pages 137 & 138 of Audit Report for the year 2011-12, Loss to government due to incorrect application of rates in TS Estimate - Rs.3.657 million

AIR No. 10 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

21.01.2015: The above paras were kept pending with the directions that an Inquiry Committee comprising representative each from the Administrative Department, Audit, Law and Finance Departments should probe into the matters raised in above Audit observations considering therein, whether penalty should also be imposed on the consultant. Moreover, a special Audit of the accounts of Fatima Jinnah Institute of Dental Sciences Lahore should be conducted to thrash out the whole project.

19.08.2015: It was informed that matter contained in above Paras was still under consideration of the Special Inquiry Committee appointed by the PAC in its last meeting.

The paras were kept pending till submission of requisite inquiry report. The Committee also decided to withdraw its directions/recommendations for special audit of the Fatima Jinnah Institute of Dental Sciences, Lahore as the project was lying unfunded.

The paras were kept pending.

17.03.2016: The PAO stated the consolidation and completion of the project was being considered and necessary remedial measures would be taken for this chronic project.

The **paras were kept pending** for necessary action by the Administrative Department.

32. Para No.7.4.31 Pages 136 & 137 of Audit Report for the year 2011-12, Loss due to less deposit of Government's share – Rs.3.865 million

AIR No. 6 Mayo Hospital, Lahore

21.01.2015: The Department explained that 556 patients were provided medical treatment free of cost without any fee with due approval of the competent authority.

The para was conditionally settled subject to verification of departmental contention by Audit.

19.08.2015: The Department explained that patients were provided free medical treatment including investigations. As such, question of share did not arise.

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

33. Para No.7.4.33 Pages 138 & 139 of Audit Report for the year 2011-12, Overpayment due to allowing payment of share money to non entitled Doctors - Rs.3.427 million

(i) 7.4.33.1 AIR No. 09 Quaid-e-Azam Medical College & Allied Institutions, Bahawalpur– Rs.1,214,271/-

20.01.2015: The Department explained that partial recovery had been effected and balance recovery was also in progress through monthly installment.

The para was conditionally settled subject to verification of recovery by Audit.

18.08.2015: The Department explained that 55% of the share money was being distributed among the employees with approval of the Board. The PAO added that policy regarding share distribution formula was under consideration of a Committee appointed by the Chief Minister.

The Committee directed/recommended that PAO should expedite the matter and irregular payment should be got regularized by the competent authority.

The para was kept pending.

16.03.2016: The Department explained that out of the hospital receipts, 45% share was deposited into Government treasury and the remaining 55% was distributed among the entitled doctors and paramedical staff with approval of the Board. It was added that share

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money was paid to Dr. Syed Mukhtar Hussain, Medical Superintendent, with approval of the Board.

Audit contended that payment of share money along with NPA was not justified in the light of Health Department letter dated 27.4.1974.

Finance Department also endorsed the above contention of Audit.

The Committee directed/recommended that unauthorized payment should be recovered from the concerned officer.

The para was kept pending.

(ii) 7.4.33.2 AIR No. 03 King Edward Medical University, Lahore – Rs.1,030,828/-

21.01.2015: The Department explained that payment was made to the faculty members of Basic Sciences who were not doing private practice. As such, instructions contained in Health Department's letter dated 27.4.1974 were not applicable in the instant case.

The para was conditionally settled subject to verification of relevant record by Audit.

19.08.2015: The Department explained that share distribution formula had been approved by the syndicate which was empowered to revise matters regarding pay & allowances.

Audit and Finance Department were of the view that such payments were required to be approved by the Senate instead of Syndicate.

The para was kept pending with the directions/recommendations that payments involved in Audit observation should be got approved by the Senate. Moreover, the Finance Department should take necessary measures to expedite the report of Special Committee appointed by the Chief Minister to resolve such issues of medical institutions.

17.03.2016: The Department explained that the case of share distribution formula would be placed before the Senate for approval in its next meeting.

The para was kept pending till approval of the Senate.

(iii) 7.4.33.3 AIR No. 13 Nishter Medical College & Allied Institutions, Multan – Rs.840,000/-

20.01.2015: The Department explained that the concerned doctors had been directed to explain their position on account of receiving NPA as well as share from the institution.

However, seven doctors had not received the share money and no recovery was due from them. It was added that an amount of Rs.72,000/- had been deposited by the concerned doctor.

The para was reduced to the extent of recovery verified by Audit and its remaining portion was kept pending.

18.08.2015: The Department explained that bulk of recoverable amount had been reconciled/adjusted and balance amount was outstanding against a doctor which would also be recovered at the earliest.

The para was kept pending for balance recovery and verification of relevant record by Audit.

16.03.2016: The Department explained that partial recovery had been made and efforts were being made to effect balance recovery

The para was reduced to the extent of recovery verified by Audit and its remaining **portion was kept pending** for recovery of outstanding dues.

(iv) 7.4.33.4 AIR No. 02 Children Hospital, Lahore – Rs.341,617/-

21.01.2015: The Department explained that NPA was paid to doctors who were not running private clinics while share money was an incentive to the doctors working in the hospital and generating revenue.

The Administrative Department endorsed the contention of Audit that NPA and share money could not be paid simultaneously.

The Committee directed/recommended that overpayment should be recovered from the concerned doctors as per rules.

The para was conditionally settled subject to recovery of total outstanding dues and verification of relevant record by Audit.

19.08.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On recommendations of Audit, the above **para was settled**.

34. Para No.7.4.34 Pages 139 & 140 of Audit Report for the year 2011-12, Undue benefit to the contractor due to less deduction of security - Rs.2.753 million

AIR No. 15 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

35. Para No.7.4.35 Pages 140 & 141 of Audit Report for the year 2011-12, Non-recovery due to use of steel other than Pakistan Steel - Rs.2.160 million

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AIR No. 3 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

21.01.2015: The above paras were kept pending with the directions that an Inquiry Committee comprising representative each from the Administrative Department, Audit, Law and Finance Departments should probe into the matters raised in above Audit observations considering therein, whether penalty should also be imposed on the consultant. Moreover, a special Audit of the accounts of Fatima Jinnah Institute of Dental Sciences Lahore should be conducted to thrash out the whole project.

19.08.2015: It was informed that matter contained in above Paras was still under consideration of the Special Inquiry Committee appointed by the PAC in its last meeting.

The paras were kept pending till submission of requisite inquiry report. The Committee also decided to withdraw its directions/recommendations for special audit of the Fatima Jinnah Institute of Dental Sciences, Lahore as the project was lying unfunded.

The paras were kept pending.

17.03.2016: The PAO stated the consolidation and completion of the project was being considered and necessary remedial measures would be taken for this chronic project.

The **paras were kept pending** for necessary action by the Administrative Department.

36. Para No.7.4.36 Pages 141 & 142 of Audit Report for the year 2011-12, Loss due to Purchase of medicines at higher rates - Rs.1.246 million

AIR No. 11 Principal, Nishter Medical College & Allied Institutions, Multan

20.01.2015: The Department explained that during the financial year 2009-10, the annual rate contract for the supply of injections omeprazole 40mg was awarded to M/S Jamil Traders Multan after observing all the codal formalities. However, during 2010-11 M/s Getz Pharma, the manufacturer of said injection, itself participated in the tender and offered the rate of same item @ RS.40 per injection. The item was approved being the lowest offered rate. Hence no loss was sustained by the Government.

The Committee directed/recommended that an inquiry be conducted into the matter by the PAO to ascertain that no violation of rules was committed.

The para was conditionally settled subject to decision of PAO as per findings of above said inquiry report.

18.08.2015: The Department explained that an inquiry was conducted into the matter whereby it was concluded that medicines were purchased after observing all the codal formalities and no financial loss was suffered by the government.

The para was conditionally settled subject to verification of relevant record/inquiry report by Audit.

16.03.2016: The Department explained that an inquiry had been conducted into the matter whereby it was concluded that the rate contract was extended for a period of three months after fulfilling all the codal formalities at the same rate as per terms and conditions of the Annual rate contract.

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

37. Para No.7.4.37 Pages 142 & 143 of Audit Report for the year 2011-12, Payment on account of inadmissible social security benefit – Rs.1.075 million

- (i) **7.4.37.1 AIR No. 09 T.B. Sanatorium Samli Murree – Rs. 482,628/-**
- (ii) **7.4.37.3 AIR No. 02 Demontmorecy College of Dentistry, Lahore – Rs. 228,997/-**
- (iii) **7.4.37.4 AIR No. 08 Public Health Nursing School, Lahore – Rs. 65,549/-**

21.01.2015: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the paras were settled** with the directions that financial controls be improved across the Department.

- (iv) **7.4.37.2 AIR No. 03 Children Hospital, Lahore – Rs.298,276/-**

21.01.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to reconciliation of recoverable amount and verification of complete recovery by Audit.

19.08.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On recommendations of Audit, the above **para was settled.**

38. Para No.7.4.38 Pages 143 & 144 of Audit Report for the year 2011-12, Doubtful expenditure on maintenance of angiography machine –Rs.832,000/-

AIR No. 12 Mayo Hospital, Lahore

21.01.2015: The Department explained that yearly contract had been made for maintenance of angiography machine and it was shut down for almost 24 hrs for maintenance and no test was conducted during this period which could be verified by Audit. As such, no irregularity was committed.

The para was conditionally settled subject to verification of relevant record by Audit.

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19.08.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On recommendations of Audit, the above **para was settled**.

39. Para No.7.4.39 Page 145 of Audit Report for the year 2011-12, Overpayment due to sanction of leave with full pay beyond admissible period - Rs.757,795/-

AIR No. 14 Principal Nishter Medical College & Allied Institutions, Multan

20.01.2015: The Department explained that Dr. Muhammad Ismail was granted one year leave on full pay by the competent authority while he was entitled for four months leave on full pay and that of remaining period on half pay. However, excess amount had been recovered from him.

The para was conditionally settled subject to verification of requisite record by Audit.

18.08.2015: The Department explained that actual outstanding amount of Rs.469,389/- had been recovered while a case for regularization of the matter had also been moved to the Finance Department.

The para was conditionally settled subject to reconciliation of recoverable amount and regularization by the competent authority

16.03.2016: The Department explained that entire outstanding amount had been recovered and approval of Finance Department had also been accorded vide letter dated 12.11.2015.

The **para was conditionally settled** subject to verification of record by Audit.

40. Para No.7.4.40 Page 146 of Audit Report for the year 2011-12, Double payment due to allowing double charges of refilling, ramming, watering of excavated earth - Rs.625,533/-

AIR No. 13 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

21.01.2015: The above para was kept pending with the directions that an Inquiry Committee comprising representative each from the Administrative Department, Audit, Law and Finance Departments should probe into the matters raised in above Audit observations considering therein, whether penalty should also be imposed on the consultant. Moreover, a special Audit of the accounts of Fatima Jinnah Institute of Dental Sciences Lahore should be conducted to thrash out the whole project.

19.08.2015: It was informed that matter contained in above para was still under consideration of the Special Inquiry Committee appointed by the PAC in its last meeting.

The para was kept pending till submission of requisite inquiry report. The Committee also decided to withdraw its directions/recommendations for special audit of the Fatima Jinnah Institute of Dental Sciences, Lahore as the project was lying unfunded.

17.03.2016: The PAO stated the consolidation and completion of the project was being considered and necessary remedial measures would be taken for this chronic project.

The **para was kept pending** for necessary action by the Administrative Department.

41. Para No.7.4.41 Pages 147 & 148 of Audit Report for the year 2011-12, Loss to government due to application of incorrect input rate analysis - Rs.434,498/-

AIR No. 12 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

21.01.2015: The above para was kept pending with the directions that an Inquiry Committee comprising representative each from the Administrative Department, Audit, Law and Finance Departments should probe into the matters raised in above Audit observations considering therein, whether penalty should also be imposed on the consultant. Moreover, a special Audit of the accounts of Fatima Jinnah Institute of Dental Sciences Lahore should be conducted to thrash out the whole project.

19.08.2015: It was informed that matter contained in above para was still under consideration of the Special Inquiry Committee appointed by the PAC in its last meeting.

The para was kept pending till submission of requisite inquiry report. The Committee also decided to withdraw its directions/recommendations for special audit of the Fatima Jinnah Institute of Dental Sciences, Lahore as the project was lying unfunded.

17.03.2016: The PAO stated the consolidation and completion of the project was being considered and necessary remedial measures would be taken for this chronic project.

The **para was kept pending** for necessary action by the Administrative Department.

42. Para No.7.4.42 Page 148 of Audit Report for the year 2011-12, Overpayment due to non stoppage of pay - Rs.259,734/-

AIR No. 14 QMC/BVH/JFH & Nursing School, Bahawalpur

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20.01.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit.

19.08.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On recommendations of Audit, the above **para was settled**.

43. Para No.7.4.43 Pages 148 & 149 of Audit Report for the year 2011-12, Loss to government due to non utilization of available earth - Rs.258,660/-

AIR No. 6 Project Director Fatima Jinnah Institute of Dental Sciences, Lahore

21.01.2015: The above para was kept pending with the directions that an Inquiry Committee comprising representative each from the Administrative Department, Audit, Law and Finance Departments should probe into the matters raised in above Audit observations considering therein, whether penalty should also be imposed on the consultant. Moreover, a special Audit of the accounts of Fatima Jinnah Institute of Dental Sciences Lahore should be conducted to thrash out the whole project.

19.08.2015: It was informed that matter contained in above para was still under consideration of the Special Inquiry Committee appointed by the PAC in its last meeting.

The para was kept pending till submission of requisite inquiry report. The Committee also decided to withdraw its directions/recommendations for special audit of the Fatima Jinnah Institute of Dental Sciences, Lahore as the project was lying unfunded.

17.03.2016: The PAO stated the consolidation and completion of the project was being considered and necessary remedial measures would be taken for this chronic project.

The **para was kept pending** for necessary action by the Administrative Department.

44. Para No.7.4.44 Pages 149 & 150 of Audit Report for the year 2011-12, Overpayment on account of facility of utility charges – Rs.91,376/-

AIR No. 11 Secretary Government of Punjab Health Department, Lahore

21.01.2015: The Department explained that concerned officer did not claim bills for four months prior to July 2010. As such, no overpayment was involved.

The para was conditionally settled subject to verification of requisite record by Audit.

19.08.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On recommendations of Audit, the above **para was settled**.

45. Para No.7.4.45 Pages 150 to 152 of Audit Report for the year 2011-12, Non-adjustment of outstanding advances - Rs.3.670 million

(i) 7.4.45.1 AIR No. 08 Sheikh Zayad Medical College and Allied Institutions, Rahim Yar Khan – Rs.3,602,858/-

20.01.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit.

18.08.2015: The Department explained that voluminous record was involved in the matter which would be produced to Audit for verification.

The para was conditionally settled subject to verification of relevant record by Audit.

16.03.2016: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the above **para was settled.**

(ii) 7.4.45.2 AIR No. 07, University of Health Sciences, Lahore – Rs.67,490/-

21.01.2015: The Department explained that advances were paid to the employees in connection with affairs of the University and total amount had been adjusted which had also been got verified by Audit.

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

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

- 1. Para No.4.2.2.1 Pages 28 & 29 of Audit Report for the year 2011-12, Irregular disbursement of loans to doctors without obtaining annual accounts of income and expenditure – Rs.38.679 million**

19.01.2015: The Department explained that a fact-finding inquiry had been conducted into the matter and as per recommendations of Inquiry Committee, proforma for income and expenditure statement had been devised and further action would be taken accordingly. However, earlier cases would be presented before the governing body/board.

Subject to decision of the relevant Board, the para was settled.

17.08.2015: The Foundation explained that a performa for income and expenditure statement of the applicants had been devised and the matter had also been discussed in the meeting of Board of Directors. Thereafter, the recommendations of BoD had been referred to the administrative department for seeking approval of the competent authority.

The **para was kept pending** with the directions that matter should be expedited.

- 2. Para No.4.2.2.2 Pages 29 & 30 of Audit Report for the year 2011-12, Unlawful/Irregular utilization of loan – Rs.1.500 million**

19.01.2015: The Department explained that principal amount had been recovered while irregularity had been condoned by the Board of PHF, Lahore.

The para was conditionally settled subject to verification of requisite record by Audit.

17.08.2015: The Department explained that principal amount was being recovered in installments and mark up would be recovered subsequently.

The Committee reduced the para to the extent of recovery verified by Audit with the directions/recommendations that balance recovery should be expedited.

The **para was kept pending**.

- 3. Para No.4.2.2.3 Pages 30 & 31 of Audit Report for the year 2011-12, Non-recovery of irregularly/unlawfully utilized loan from the doctors who are in Government Service – Rs.1.600 million**

19.01.2015: The Department explained that outstanding amount was being recovered from the concerned doctors through monthly installments.

The para was reduced to extent of recovery and kept pending with the directions/recommendation that matter regarding penalty/surcharge should be submitted before the concerned Board for its decision.

17.08.2015: The Department explained that principal amount of loan had been deposited by Dr.Imtiaz Ahmed and only the penalty on account of mis-utilization had to be recovered from him. It was added partial recovery had been effected from Dr.Raheela Farooq and balance amount would also be recovered but no penalty was applicable in her case.

The **para was kept pending** for recovery of outstanding dues with the directions/recommendations that its amount be reduced to the extent of recovery verified by Audit.

4. Para No.4.2.2.4 Pages 31 & 32 of Audit Report for the year 2011-12, Irregular writing off penalties imposed upon the defaulters – Rs.0.875 million

19.01.2015: The Department explained that meeting of Board of Directors could not be held since last several years, however, the same would be held in near future.

The para was conditionally settled subject to decision of BoD.

17.08.2015: The Department explained that penalties had been written off by the Board of Directors which had also been got verified by Audit.

The Director (Monitoring) Finance Department advised that regularization of the subject case was required from the Finance Department.

The Committee directed/recommended that matter be referred to the Finance Department for seeking write off sanction, within 60 days.

The **para was kept pending**.

5. Para No.4.2.2.5 Pages 32 & 33 of Audit Report for the year 2011-12, Non-recovery of loans from the doctors who did not establish clinics – Rs.2.273 million

19.01.2015: The Department explained that partial recovery had been effected and matter regarding penalty/surcharge would be presented before the BoD.

The para was kept pending with the directions that PAO should examine all such cases for a principal decision to resolve the matter.

17.08.2015: The Department explained that total outstanding amount had been recovered from Dr. Naeem Ahmed and Dr. Muhammad Irfan and no penalty was outstanding against them. Similarly, entire principal amount had been recovered from Dr. Samina Yamin but penalty on account of mis-utilization and surcharge was outstanding against her. In case of Dr. Yasmin Batool, partial recovery had been effected and balance amount alongwith penalty was still outstanding against her.

The **para was kept pending** with the directions that its amount be reduced to the extent of recovery verified by Audit.

6. Para No.4.3.1.1 Page 34 of Audit Report for the year 2011-12, Comments on Audited Accounts

19.01.2015: The Department explained that matter regarding structural reforms had been taken up with the Administrative Department and response thereon was still awaited.

The para was kept pending with the directions that factual position be reported on the following day.

On 20.1.2015, the Department explained that record had been got verified by Audit and para was duplication of APRSE 2010-11.

The Committee accordingly **deleted the para.**

7. Para No.4.3.1.2 Page 35 of Audit Report for the year 2011-12, Comments on Audited Accounts

19.01.2015: The Department explained that efforts were being made for recovery of receivables from the concerned quarters.

The Committee directed/recommended that Administrative Department should depute a Liaison Officer to resolve the issue at the earliest

The para was kept pending.

17.08.2015: The Department explained that efforts were being made for clearance of liabilities and disposal of available stores.

The Committee noticed that General Manager MSD had absented himself from the meeting without any intimation while the concerned departmental representative was unable to render proper explanation regarding disposal of stores such as medicines, chemicals and equipment which had become obsolete causing huge loss of public money.

The Committee directed/recommended that an inquiry be conducted by Mr. Mahmood Hassan, Additional Secretary (Health) personally keeping in view the deliberations in the meeting and report thereon be submitted to the PAC within 30 days. Meanwhile, displeasure of the Committee should be conveyed to the General Manager, MSD.

The **para was kept pending.**

8. Para No.4.3.1.3 Page 34 of Audit Report for the year 2011-12, Comments on Audited Accounts

19.01.2015: The Department explained that hectic efforts were being made to dispose of the medicines after completing the codal formalities. It was assured that equipment and items would be disposed off by 28 Feb 2015.

The para was kept pending with the directions that progress be reported to the PAC at the earliest.

17.08.2015: The Department explained that efforts were being made for clearance of liabilities and disposal of available stores.

The Committee noticed that General Manager MSD had absented himself from the meeting without any intimation while the concerned departmental representative was unable to render proper explanation regarding disposal of stores such as medicines, chemicals and equipment which had become obsolete causing huge loss of public money.

The Committee directed/recommended that an inquiry be conducted by Mr. Mahmood Hassan, Additional Secretary (Health) personally keeping in view the deliberations in the meeting and report thereon be submitted to the PAC within 30 days. Meanwhile, displeasure of the Committee should be conveyed to the General Manager, MSD.

The para was kept pending.

9. **Para No.4.4.1.1 Page 36 of Audit Report for the year 2011-12, Comments on Audited Accounts**

10. **Para No.4.4.1.2 Page 36 of Audit Report for the year 2011-12, Comments on Audited Accounts**

11. **Para No.4.4.1.3 Page 36 of Audit Report for the year 2011-12, Comments on Audited Accounts**

12. **Para No.4.4.1.4 Page 36 of Audit Report for the year 2011-12, Comments on Audited Accounts**

19.01.2015: The Department explained that necessary action in respect of above paras had been taken and record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

GENERAL OBSERVATIONS

16.03.2016: On commencement of the meeting of the Public Accounts Committee-II held on 16.03.2016, Additional Secretary (Admn), Health Department informed that the Secretary Health will not be able to attend the meeting due to special assignment by the Hon'ble Chief Minister; therefore, he might be allowed to represent the Department.

The Committee observed with great concern that the Principal Accounting Officer of the concerned Department was required to attend the meeting personally and represent his Department but Secretary Health absented himself without any intimation.

The Committee took serious notice of the casual attitude of the concerned officer of the Department towards the PAC business and desired that displeasure of the Committee be conveyed to the concerned officer.

Social Welfare, Women Development & Bait-ul-Maal Department

HOME

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Home Department in its meetings held on 29.10.2014, 30.10.2014, 20.04.2015, 21.04.2015 & 22.04.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-2012

1. Grant No. PC21010/PC24010 (010) General Administration Pages 317 to 326 of Appropriation Accounts for the year 2011-12

- (i) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration
LQ4064 Home Department

Final Grant		Rs.212,083,000/-
Actual Expenditure		Rs.199,872,105/-
Saving	(-)	Rs. 12,210,895/-
Percentage		5.76%

29.10.2014: The Department explained that saving had occurred because several posts were lying vacant and lesser funds were utilized on account of subsidies to the victims of bomb blasts and unforeseen incidents. It was added that excess expenditure against the sub-head of A011-2 was incurred due to revision of pay scales while requisite funds were not provided by the Finance Department.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

- (ii) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration
LQ4095 Crises Management & Control Centre

Final Grant		Rs.2,731,000/-
Actual Expenditure		Rs.2,711,124/-
Saving	(-)	Rs. 19,876/-
Percentage		0.73%

29.10.2014: The Department explained that bulk of the allocated funds had been utilized whereas there was nominal excess expenditure against the sub-head A011-2 because requisite funds were not provided by the Finance Department.

The **item was conditionally settled** subject to condonation of excess expenditure by the competent authority.

- (iii) 03 Public Order and Safety Affairs
034 Prison Administration & Operation
0341 Prison Administration & Operation
034120 Others (Other Places of Detention & Co)

LQ4103 Reclamation & Probation Department

Final Grant		Rs.72,520,000/-
Actual Expenditure		Rs.71,902,372/-
Saving	(-)	Rs. 617,628/-
Percentage		0.85%

29.10.2014: The Department explained that saving had occurred because several posts were lying vacant whereas excess expenditure against the sub-head A011-1 had occurred due to revision of pay scales by the government.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

- (iv) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration

LO4457 Directorate of Monitoring

Final Grant		Rs.77,916,000/-
Actual Expenditure		Rs.57,688,258/-
Saving	(-)	Rs.20,227,742/-
Percentage		25.96%

29.10.2014: The Department explained that saving had occurred because several posts were lying vacant due to delay in certain policy decision by the Government and recruitment process was finalized at the end of financial year. It was added that surplus funds had been surrendered after retaining salaries for four months.

The **item was kept pending** with the directions that an inquiry should be conducted by the Administration Department to ascertain whether savings pertained to only four months salaries or more and report be submitted to PAC within 30 days.

- (v) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration

LQ4097 Forensic Science Laboratory Punjab

Final Grant		Rs.13,111,000/-
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Actual Expenditure		Rs.12,657,137/-
Saving	(-)	Rs. 453,863/-
Percentage		3.46%

29.10.2014: The Department explained that saving had occurred mainly under the sub-heads of Pay & Allowances because several posts were lying vacant.

The Committee accepted the departmental explanation and **settled the item.**

- (vi) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration
LQ5362 Child Protection

Final Grant		Rs.205,683,000/-
Actual Expenditure		Rs.129,470,227/-
Saving	(-)	Rs. 76,212,773/-
Percentage		37.05%

29.10.2014: The Department explained that saving had occurred because several posts were lying vacant which could not be filled due to ban on recruitment.

The Committee directed/recommended that an inquiry should be conducted by the Administrative Department to fix responsibility for huge savings and report be submitted to the PAC within 30 days.

The item was kept pending.

20.04.2015: The Department explained that as per directions of PAC, an inquiry was conducted to fix responsibility for huge savings and resultantly, Mr. Ijaz Ahmed, Ex. Assistant Director (B & A) was found responsible for the lapse. It was added that concerned Director General Audit had been requested to take disciplinary action against the said officer.

The Committee **settled the item** with the directions/recommendation that disciplinary proceedings against the said officer should be completed as per rules.

- (vii) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration
LQ4096 District Public Safety Commission

Final Grant		Rs.8,280,000/-
Actual Expenditure		Rs.4,490,471/-

Saving	(-)	Rs.3,789,529/-
Percentage		45.77%

29.10.2014: The Department explained that saving had occurred because several posts were lying vacant and funds were retained in 2nd statement of excesses & surrenders in anticipation of posting of staff by the Services & General Administration Department.

The Committee noticed that there was excess expenditure against the sub-head A011-2 while there was huge saving against other sub-heads. It was therefore, directed that an Inquiry Committee comprising representative of each from Home and Finance Departments should probe into the matter and report be submitted to the PAC within 30 days.

The item was kept pending.

2. Grant No. PC21012 (012) Jails and Convict Settlements (All Voted) Pages 327 to 332 of Appropriation Accounts for the year 2011-12

- (i) 03 Public Order & Safety Affairs
 034 Prison Administration & Operation
 0341 Prison Administration & Operation
 034101 Jails & Convict Settlement

LQ4118 Direction

Final Grant		Rs.63,287,000/-
Actual Expenditure		Rs.62,267,912/-
Saving	(-)	Rs. 1,019,088/-
Percentage		1.61%

29.10.2014: The Department explained that saving had occurred because recruitment could not be made against some newly created posts.

The explanation of the Department was accepted and **the item was settled.**

- (ii) 03 Public Order & Safety Affairs
 034 Prison Administration & Operation
 0341 Prison Administration & Operation
 034101 Jails & Convict Settlement

LQ4119 Central Jails

	<u>AG Figures</u>	<u>Department Figures</u>
Final Grant	Rs.2,318,127,000/-	Rs.2,318,127,000/-

Report of PAC-II (2011-12)

Actual Expenditure	Rs.2,266,998,638/-	Rs.2,266,998,638/-
Saving	(-) Rs. 51,128,362/-	Rs. 51,288,311/-
Percentage	2.21%	2.21%

29.10.2014: The Department explained that saving had occurred because several posts were lying vacant and additional funds for dietary charges were released on 31.5.2012 which could not be utilized due to time constraints. It was added that excess expenditure against the sub-heads A011-1 and A012-2 was due to error in computerized system of salaries.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

- (iii) 03 Public Order & Safety Affairs
034 Prison Administration & Operation
0341 Prison Administration & Operation
034101 Jails & Convict Settlement

LQ4120 District Jail

Final Grant	Rs.2,296,978,000/-
Actual Expenditure	Rs.2,296,008,837/-
Saving	(-) Rs. 969,163/-
Percentage	0.04%

29.10.2014: The Department explained that bulk of the allocated funds were utilized but excess expenditure against the sub-head of Pay & Allowances had occurred due to posting of staff after submission of 2nd statement of excesses and surrenders.

The Committee directed/recommended that budget figures should be reconciled with the Finance Department and excess expenditure be got condoned.

Subject to above directions, **the item was settled.**

- (iv) 03 Public Order & Safety Affairs
034 Prison Administration & Operation
0341 Prison Administration & Operation
034101 Jails & Convict Settlement

LQ4121 Lock Ups

Final Grant	Rs.44,427,000/-
Actual Expenditure	Rs.42,340,576/-
Saving	(-) Rs. 2,086,424/-
Percentage	4.70%

29.10.2014: The Department explained that saving had occurred because some posts were lying vacant and certain utility bills were received very late in Judicial Lockups under the administration of DCOs.

The explanation of the Department was accepted and **the item was settled.**

- (v) 03 Public Order & Safety Affairs
034 Prison Administration & Operation

0341 Prison Administration & Operation
034101 Jails & Convict Settlement
LQ4122 Jails (Manufactures) Central Jails

Final Grant		Rs.61,373,000/-
Actual Expenditure		Rs.62,497,384/-
Excess	(+)	Rs. 1,124,384/-
Percentage		1.83%

29.10.2014: The Department explained that excess expenditure had been incurred under the sub-head of Pay & Allowances which was inevitable due to Inter-District transfers.

The **item was kept pending** with the directions/recommendations that an inquiry be conducted to thrash out the matter and report be submitted to the PAC within 30 days.

(vi) 03 Public Order & Safety Affairs
034 Prison Administration & Operation
0341 Prison Administration & Operation
034101 Jails & Convict Settlement
LQ4123 Jails (Manufactures) District Jails

Final Grant		Rs.453,000/-
Actual Expenditure		Rs.422,988/-
Saving	(-)	Rs. 30,012/-
Percentage		6.63%

29.10.2014: The Department explained that minor saving had occurred due to price variation of raw material.

The explanation of the Department was accepted and **the item was settled.**

(vii) 03 Public Order & Safety Affairs
034 Prison Administration & Operation
0341 Prison Administration & Operation
034101 Jails & Convict Settlement
LQ4124 Works

Final Grant		Rs.5,500,000/-
Actual Expenditure		Rs.5,500,000/-
Saving/Excess		<i>Nil</i>
Percentage		0.00%

29.10.2014: The Department explained that all the allocated funds had been fully utilized.

The **item was accordingly settled.**

3. Grant No. PC21013 (013) Police (All Voted) Pages 333 to 347 of Appropriation Accounts for the year 2011-12

Report of PAC-II (2011-12)

- (i) 03 Public Order And Safety Affairs
032 Police
0321 Police
032103 Local Police

RQ4002 Border Military Police (Rajanpur)

Final Grant		Rs.67,474,000/-
Actual Expenditure		Rs.62,524,101/-
Saving	(-)	Rs. 4,949,899/-
Percentage		7.34%

29.10.2014: The Department explained that saving had occurred because several posts were lying vacant which were expected to be filled through transfer/posting.

The Committee observed that excess expenditure had been incurred against the sub-heads A011-1 and A04 while proper explanation had not been rendered by the Department in working papers.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

- (ii) 03 Public Order And Safety Affairs
032 Police
0321 Police
032103 Local Police

DQ4005 Border Military Police (DG Khan)

Final Grant		Rs.105,504,000/-
Actual Expenditure		Rs.114,786,274/-
Excess	(+)	Rs. 9,282,274/-
Percentage		8.80%

29.10.2014: The representative of Accountant General Punjab informed that reconciliation of accounts was required in case of above items.

The **item was kept pending** for reconciliation accounts within 30 days.

- (iii) 03 Public Order And Safety Affairs
032 Police
0321 Police
032103 Local Police

DQ4006 Baloch Levy DG Khan

Final Grant		Rs.72,782,000/-
Actual Expenditure		Rs.65,044,768/-
Saving	(-)	Rs. 7,737,232/-

Percentage 10.63%

29.10.2014: The Department explained that saving had occurred because several posts were lying vacant and less payment of TA/DA was made due to rescue operation in flood affected areas as field postings could not be made.

The Committee **settled the item** with the directions/recommendations that warning be issued to the concerned officers to avoid such lapses in future.

- (iv) 03 Public Order And Safety Affairs
032 Police
0321 Police
032102 Provincial Police

LQ4125 Direction

Final Grant		Rs.1,686,273,000/-
Actual Expenditure		Rs.1,538,628,653/-
Saving	(-)	Rs. 147,644,347/-
Percentage		8.76%

20.04.2015: The Department explained that saving had occurred because some posts were lying vacant. Moreover, funds allocated for transport and machinery could not utilized due to late release of funds and practical difficulties in procurement of security equipment.

The Committee **conditionally settled the item** with the directions/recommendations that mechanism be devised to avoid such lapses in future.

- (v) 03 Public Order And Safety Affairs
032 Police
0321 Police
032102 Provincial Police

LQ4126 Superintendence

Final Grant		Rs.235,899,000/-
Actual Expenditure		Rs.233,086,947/-
Saving	(-)	Rs. 2,812,053/-
Percentage		1.19%

20.04.2015: The Department explained that there were minor savings against various sub-heads due to lesser expenditure on account of utilities and strike in DAO Sargodha.

The explanation of the Department was accepted and **the item was settled.**

- (vii) 03 Public Order And Safety Affairs
032 Police
0321 Police

Report of PAC-II (2011-12)

032102 Provincial Police
LQ4127 District Police

Final Grant		Rs.48,463,706,000/-
Actual Expenditure		Rs.48,010,961,180/-
Saving	(-)	Rs. 452,744,820/-
Percentage		0.93%

20.04.2015: The Department explained that there was nominal saving whereas excess expenditure against the sub-heads A011-1 and A011-2 was due to appointments against vacant posts in view of urgent requirements. It was added that excess expenditure against the sub-heads A05, A09 and A10 had been wrongly depicted in Appropriation Accounts.

The Committee directed/recommended that budget figures should be reconciled with the Finance Department and excess expenditure be got regularized by the competent authority.

Subject to above directions, the **item was conditionally settled.**

(viii) 03 Public Order And Safety Affairs
032 Police
0321 Police
032102 Provincial Police
LQ4129 Special Branch

Final Grant		Rs.1,732,603,000/-
Actual Expenditure		Rs.1,643,223,732/-
Saving	(-)	Rs. 89,379,268/-
Percentage		5.16%

20.04.2015: The Department explained that saving had occurred because several posts were lying vacant.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

(ix) 03 Public Order And Safety Affairs
032 Police
0321 Police
032102 Provincial Police

LQ4590 Counter Terrorism Deptt

Final Grant		Rs.861,387,000/-
Actual Expenditure		Rs.816,508,575/-
Saving	(-)	Rs. 44,878,425/-
Percentage		5.21%

20.04.2015: The Department explained that some posts were lying vacant and procurement of transport and machinery could not be materialized due to non-fulfillment of codal formalities which resulted in lapse of funds.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

- (x) 03 Public Order And Safety Affairs
032 Police
0321 Police
032102 Provincial Police

LW4120 Elite Police Force

Final Grant		Rs.519,384,000/-
Actual Expenditure		Rs.421,211,224/-
Saving	(-)	Rs. 98,172,776/-
Percentage		18.90%

20.04.2015: The Department explained that saving had occurred because some posts were lying vacant while bulk of the funds under the sub-head A03 lapsed because LCs for purchased of arms and ammunition were not counted for during the month of June.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

- (xi) 03 Public Order And Safety Affairs
032 Police
0321 Police
032111 Training

LQ4136 Police Training Institute

Final Grant		Rs.1,307,307,000/-
Actual Expenditure		Rs.1,246,599,404/-
Saving	(-)	Rs. 60,707,596/-
Percentage		4.64%

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20.04.2015: The Department explained that bulk of the saving was under the sub-head A03 because some training courses could not be started timely and due to lesser expenditure on account of utilities and POL.

The explanation of the Department was accepted and **the item was settled.**

- (xii) 03 Public Order And Safety Affairs
032 Police
0321 Police
032113 Other Civil Armed Forces
LQ4131 Punjab Constabulary

Final Grant		Rs.3,576,012,000/-
Actual Expenditure		Rs.3,417,288,857/-
Saving	(-)	Rs. 158,723,143/-
Percentage		4.44%

20.04.2015: The Department explained that saving had occurred because several posts were lying vacant while excess expenditure against the sub-head A011-1 had been incurred because some officers were appointed after submission of 2nd statement of Excesses and Surrender.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (xiii) 03 Public Order And Safety Affairs
032 Police
0321 Police
032150 Others
LQ4133 Police Supplied to Public Departments Private Bodies and Persons

Final Grant		Rs.216,018,000/-
Actual Expenditure		Rs.214,874,733/-
Saving	(-)	Rs. 1,143,267/-
Percentage		0.53%

20.04.2015: The Department explained that saving was quite nominal but excess expenditure against the sub-head A011-2 was due to posting of staff against vacant posts after submission of 2nd statement of Excesses and Surrender.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (xiv) 03 Public Order And Safety Affairs
032 Police
0321 Police
032150 Others

LQ4134 Qaumi Razakar Organization

Final Grant		Rs.394,841,000/-
Actual Expenditure		Rs.367,347,975/-
Saving	(-)	Rs. 27,493,025/-
Percentage		6.96%

20.04.2015: The Department explained that saving had occurred because some bills could not be entertained due to strike in AG office and appointments of PQRs were also delayed on account of verification from Special Branch.

The explanation of the Department was accepted and **the item was settled.**

- (xv) 03 Public Order And Safety Affairs
032 Police
0321 Police
032150 Others

LQ4135 Works

Final Grant		Rs.84,888,000/-
Actual Expenditure		Rs.79,867,087/-
Saving	(-)	Rs. 5,020,913/-
Percentage		5.91%

20.04.2015: The Department explained that excess expenditure against various sub-heads had been depicted due to misclassification and the same had been reconciled while saving had occurred due to provision of supplementary funds by the Finance Department on account of some misunderstanding.

The explanation of the Department was accepted and **the item was settled.**

4. Grant No. PC21031 (031) Miscellaneous (All Voted) Pages 348 to 350 of Appropriation Accounts for the year 2011-12

- (i) 03 Public Order & Safety Affairs
034 Prison Administration & Operation
0341 Prison Administration & Operation
034120 Others (Other Places of Detention and)

LQ4287 State Prisoners and Detenues

Final Grant		Rs.170,000/-
Actual Expenditure		Rs.118,444/-
Saving	(-)	Rs. 51,556/-
Percentage		30.33%

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29.10.2014: The Department explained that expenditure against the above item was unforeseen in nature which depended on law & order situation. As such, the saved amount could not be surrendered in anticipation of emergent needs.

The explanation of the Department was accepted and **the item was settled.**

- (ii) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration
LQ4509 Rescue 1122 (Punjab Emergency Service)

Final Grant		Rs.1,920,853,000/-
Actual Expenditure		Rs.1,797,029,301/-
Saving	(-)	Rs. 123,823,699/-
Percentage		6.45%

29.10.2014: The representative of Accountant General Punjab informed that reconciliation of accounts was required in case of above items.

The **items were kept pending** for reconciliation accounts within 30 days.

5. Grant No. PC21032 (032) Civil Defence: (All Voted) Pages 351 & 352 of Appropriation Accounts for the year 2011-12

- (i) 03 Public Order & Safety Affairs
033 Fire Protection
0331 Fire protection
033101 Administration
LQ4301 Administration

Final Grant		Rs.39,610,000/-
Actual Expenditure		Rs.40,468,421/-
Excess	(+)	Rs. 858,421/-
Percentage		2.17%

29.10.2014: The representative of Accountant General Punjab informed that reconciliation of accounts was required in case of above item.

The **item was kept pending** for reconciliation accounts within 30 days.

- (ii) 03 Public Order & Safety Affairs
033 Fire Protection
0331 Fire protection
033102 Operations
LQ4302 Medical Establishment

Final Grant		Rs.3,426,000/-
Actual Expenditure		Rs.3,378,082/-
Saving	(-)	Rs. 47,918/-
Percentage		1.40%

29.10.2014: The Department explained that there was minor saving against various sub-heads because some posts were lying vacant.

The Committee accepted the explanation of the Department and **settled the item.**

6. Grant No. PC22036 (036) Development: (All Voted) Pages 353 & 354 of Appropriation Accounts for the year 2011-12

03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat
LE4278 Secretariat Administration

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,419,814,000/-	Rs.1,419,814,000/-
Actual Expenditure	Rs.1,183,806,408/-	Rs.1,153,752,012/-
Saving	(-) Rs. 236,007,592/-	Rs.265,898,405/-
Percentage	16.62%	18.73%

29.10.2014: The representative of Accountant General Punjab informed that reconciliation of accounts was required in case of above item.

The **item was kept pending** for reconciliation of accounts with AG/Finance Department within 30 days.

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

1. **Para No.9.4.1 Pages 208 & 209 of Audit Report for the year 2011-12, Likely misappropriation of medicines – Rs.434,109/-**
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AIR No. 9 Central Jail, Lahore

30.10.2014: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled**.

2. **Para No.9.4.2 Pages 209 & 210 of Audit Report for the year 2011-12, Irregular payment of salaries through manual bills – Rs.1,067.825 million**
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- (i) **9.4.2.2 AIR No. 17 City Police Officer, Gujranwala – Rs. 233,488,127/-**

21.04.2015: The Department explained that salaries of newly appointed/transferred employees were drawn through manual bills and subsequently, the master forms of those officials were sent to DAO for computerization of their salaries. It was further contended that Accounts offices took several months in computerization of salaries which caused great inconvenience for government employees.

The Director (Monitoring) Finance Department apprised that as per directions of PAC, an inquiry was being conducted in Home Department on the aforesaid issue.

The Committee directed/recommended that aforesaid Inquiry should be monitored by the Special Secretary, Home Department, personally and representation of Accountant General Office must also be ensured its representation in the Inquiry Committee. It was further directed that comprehensive report/recommendations to resolve the above stated issues including the subject Audit observation, should be submitted to the PAC at the earliest.

The **para was conditionally settled** subject to finalization of inquiry report and regularization of the expenditure by the Finance Department.

- (ii) **9.4.2.3 Central Jail, Gujranwala – Rs. 138,917,980/-**

- (iii) **9.4.2.7 District Jail, Jhelum – Rs. 56,673,591/-**

- (iv) **9.4.2.9 Central Jail, Rawalpindi – Rs. 39,921,405/-**

30.10.2014: The Department explained that due to transfer/posting of large number of employees, certain employees had been drawing their salaries through manual bills.

The Director (Monitoring) Finance Department apprised that instructions of Government for payment of salaries through banks, were in place since 2008.

The Committee directed/recommended that an Inquiry Committee comprising representatives each from Finance and Administrative Departments should probe into the matter as to why manual payments were made in violation of Government's instructions and whether any mis-appropriation was involved in the subject cases and report be submitted to the PAC within 60 days. It was further directed that PAO should submit his recommendations to the PAC regarding systematic issues of Accountant General Office.

The paras were conditionally settled subject to above directions.

22.04.2015: The Department explained that an inquiry had been conducted to thrash out the matter whereby it was recommended that warnings should be issued to the DDOs.

The Committee **conditionally settled the above paras** subject to condonation by the Finance Department within 30 days.

(v) **9.4.2.5 AIR No. 10 Punjab Highway Patrolling, Lahore – Rs. 84,917,808/-**

22.04.2015: The Department explained that payment of salaries through manual bills was made due to transfer/posting and delay in computerization process/system.

The **para was conditionally settled** subject to regularization of the expenditure by the Finance Department.

(vi) **9.4.2.6 AIR No. 04 District Jail, Gujrat – Rs. 63,674,234/-**

(vii) **9.4.2.8 AIR No. 02 District Jail, Lahore – Rs. 42,227,348/-**

22.04.2015: The Department explained that payment through manual bills had been made due to non-computerization of the pay of certain employees.

The Committee directed/recommended that matter be thrashed out whether any discrepancy was involved and the matter be got condoned by the Finance Department.

The **paras were conditionally settled** subject to above directions.

(viii) **9.4.2.10 AIR No. 09 Additional IGP, C.I.D, Lahore – Rs. 35,068,508/-**

22.04.2015: The Department explained that payment of salaries through manual bills was made due to transfer/posting and delay in computerization process/system.

The **para was conditionally settled** subject to regularization of the expenditure by the Finance Department.

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(ix) **9.4.2.11 AIR No. 04 District Jail, Attock – Rs. 10,833,319/-**

22.04.2015: The Department explained that payment through manual bills had been made due to non-computerization of the pay of certain employees.

The Committee directed/recommended that matter be thrashed out whether any discrepancy was involved and the matter be got condoned by the Finance Department.

The **para was conditionally settled** subject to above directions.

(x) **9.4.2.12 AIR No. 07 Regional Police Officer, Sargodha – Rs. 7,145,250/-**

21.04.2015: The Department explained that salaries of some newly appointed/transferred employees were paid through manual bills and later, salaries of all the employees had been computerized.

The **para was conditionally settled** subject to condonation of the irregularity by the Finance Department.

3. Para No.9.4.3 Pages 211 & 212 of Audit Report for the year 2011-12, Irregular expenditure due to unauthorized rate contract – Rs.539.299 million

(i) **9.4.3.1 District Jail, Attock – Rs. 223,503,602/-**

(ii) **9.4.3.2 District Jail, Gujrat – Rs. 106,497,112/-**

(iii) **9.4.3.4 District Jail, Jhelum – Rs. 71,507,092/-**

(iv) **9.4.3.5 District Jail, Faisalabad – Rs. 44,814,750/-**

(v) **9.4.3.6 Central Jail, Sahiwal – Rs. 9,377,856/-**

30.10.2014: The Department explained that Inspector General of Prisons Punjab was competent for rate contract of dietary articles.

The Director (Monitoring) Finance Department endorsed the contention of Audit that rate contract was to be approved by the Additional Chief Secretary, Punjab.

The Committee directed/recommended that expenditure should be got condoned by the competent authority and financial rules be strictly followed in future.

The paras were conditionally settled subject to above directions.

22.04.2015: The Department explained that as per advice of Finance Department and PPRA, the IG Prison was a category-I Officer, having full financial powers for procurement. As such, regularization of the expenditure was not required.

The **above paras were conditionally settled** subject to verification of relevant record in support of departmental contention, by Audit. On request of Audit, it was directed that Finance Department should also render advice regarding rate contract.

(vi) **9.4.3.3 Child Protection & Welfare Bureau, Lahore – Rs. 83,598,832/-**

30.10.2014: The Department explained that CP&WB was an autonomous body and its Chief Executive, being category I officer, was competent to approve the rate contract. It was added that Board of Governor would be constituted within next few days.

The Director (Monitoring) Finance Department opined that rate contract was required to be approved by the Additional Chief Secretary.

The Committee directed/recommended that expenditure should be got regularized by the competent authority.

The **para was conditionally settled** subject to above directions.

4. Para No.9.4.4 Pages 212 & 213 of Audit Report for the year 2011-12, Irregular mode of payment – Rs.49.561 million

(i) **9.4.4.1 AIR No. 10 Additional IG Special Branch (HQ), Lahore – Rs. 18,099,589/-**

22.04.2015: The Department explained that payment had been made through payment order in the name of PSO account and a case for regularization had been moved to the Finance Department.

The Committee directed/recommended that such lapses should be avoided in future.

The **para was conditionally settled** subject to decision of the Finance Department.

(ii) **9.4.4.2 AIR No. 01 Police Training School, Rawalpindi – Rs. 11,114,718/-**

21.04.2015: The Department explained that concerned firm had requested for cash payment and all the relevant vouchers were available for verification.

The **para was kept pending** with the directions/recommendations that an inquiry be conducted to thrash out the matter and further action be taken accordingly.

(iii) **9.4.4.3 District Jail, Jhelum – Rs. 3,857,888/-**

30.10.2014: The Department explained that bulk of the manual payments were less than one hundred thousand but in certain cases, cash payment of more than 100,000/- was made on request of the contractor.

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The Committee directed/recommended that an inquiry should be conducted into the matter by Audit in co-ordination with Accountant General Office and report be submitted to the PAC within 30 days.

The **para was kept pending.**

(iv) 9.4.4.4 AIR No. 06 SP Special Branch, Gujranwala – Rs. 6,297,000/-

21.04.2015: The Department explained that payments were made to the contractors in cash due to submission of their written requests. Moreover, all the payments were below to Rs.100,000/- and expenditure pertained to a period of about 7 years.

Audit contended that payments exceeding Rs.100,000/- were involved in the subject case.

The Committee directed/recommended that an inquiry be conducted to thrash out the facts and report be submitted to the PAC, at the earliest.

The **para was kept pending.**

(v) 9.4.4.6 AIR No. 05 Commandant Police College, Sihala – Rs. 3,087,770/-

22.04.2015: The Department explained that payment in cash were made to the contractors due to submission of written request by them.

The Committee directed/recommended that an inquiry be conducted to thrash out the matter and report be submitted to the PAC at the earliest.

The **para was kept pending.**

(vi) 9.4.4.7 AIR No. 09 District Police Officer, Gujrat – Rs. 2,567,644/-

21.04.2015: The Department explained that tailor master was actually an employee of the Department and also working as contractor. Therefore, payment was made to him in cash.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for the lapse and to ascertain whether contract could be awarded to government official, as per rules and irregularity be got condoned by the Finance Department.

The **para was kept pending.**

(vii) 9.4.4.8 AIR No. 11 District Police Officer, Hafizabad – Rs. 443,352/-

21.04.2015: The Department explained that expenditure had been incurred on the repair of vehicles and purchase of spare parts after observing codal formalities. However, payment was made in cash mode because vendor number of contractor was not available.

The Committee directed/recommended that irregularity be got condoned by the Finance Department. Moreover, internal mechanism should be devised to avoid such lapses in future.

The **para was conditionally settled** subject to decision of the Finance Department.

5. Para No.9.4.5 Pages 213 to 216 of Audit Report for the year 2011-12, Unauthorized sanction of expenditure beyond the prescribed limit – Rs.41.810 million

(i) 9.4.5.1 AIR No. 02 Additional I.G. Special Branch, Lahore – Rs. 9,849,905/-

22.04.2015: The Department explained that purchase of stationery was made after advertisement in newspaper with due approval of the competent authority.

Audit contended that sanction had not been accorded according to relevant financial rules.

The Committee directed/recommended that matter be referred to the Finance Department for seeking advice/condonation if necessary.

The **para was conditionally settled** subject to decision of the Finance Department.

(ii) 9.4.5.2 AIR No. 04 Additional I.G. Punjab Highway Patrol, Lahore – Rs. 6,759,155/-

22.04.2015: The Department explained that purchase of stationery and printing items was made after advertisement in newspapers and fulfillment of codal formalities.

Audit contended that advertisement at PPRA website was not published, as per rules.

The **para was kept pending** with the directions/recommendations that an inquiry be conducted to thrash out the matter and fix responsibility for the lapse, if any. It was further directed/recommended that irregularity be got condoned by the Finance Department.

(iii) 9.4.5.3 AIR Nos. 01 & 03 City Police Officer, Multan – Rs. 4,905,181/-

20.04.2015: The Department explained that para consisted of two parts:-

PART-A

20.04.2015: It was stated that expenditure had been incurred on different stationery articles and sanction had been granted by the competent authority (Class-I officer) under provisions of Rule 2(a) of the second schedule of the Punjab Delegation of Financial Power Rules 2006.

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The Director (Monitoring) Finance Department, also endorsed the departmental contention in the meeting.

The explanation of the Department was accepted and **this Part was settled** subject to verification of departmental contention by Audit.

PART-B

20.04.2015: The Department explained that funds for security arrangement on Moharram-ul-Haraam were received at the last moment and therefore, different security equipment/ articles were purchased on urgent basis.

The **Part was settled** subject to condonation of the expenditure by the competent authority.

(iv) **9.4.5.4 Secretary Home Department, Lahore – Rs. 3,760,453/-**

30.10.2014: The Department explained that all the purchases were made under the provisions of rule 2(a) of Delegation of Financial Power Rules after observing all the codal formalities.

The Committee **conditionally settled the para** subject to reconciliation with Finance Department and Audit.

(v) **9.4.5.5 AIR No. 01 Additional IGP C.I.D, Lahore – Rs. 2,924,990/-**

22.04.2015: The Department explained that purchase of stationery was made after advertisement in newspaper with due approval of the competent authority.

Audit contended that sanction had not been accorded according to relevant financial rules.

The Committee directed/recommended that matter be referred to the Finance Department for seeking advice/condonation if necessary.

The **para was conditionally settled** subject to decision of the Finance Department.

(vi) **9.4.5.6 AIR Nos. 4 & 5 SSP Special Branch, Multan – Rs. 2,423,662/-**

20.04.2015: The Department explained that different articles had been purchased on different dates after observing codal formalities and each bill was lesser than Rs.50,000/-.

Audit contended that total expenditure during the financial year was sanctioned beyond the competency of concerned officer.

The Committee directed/recommended that ex-post facto sanction of the expenditure be sought from the Finance Department.

The **para was conditionally settled** subject to decision of the Finance Department.

(vii) 9.4.5.7 AIR No. 01 City Police Officer, Gujranwala – Rs. 2,000,315/-

21.04.2015: The Department explained that purchase of stationery was made after advertisement in newspaper with due approval of the competent authority.

Audit contended that sanction had not be accorded according to relevant financial rules.

The Committee directed/recommended that matter be referred to the Finance Department for seeking advice/condonation, if necessary.

The **para was conditionally settled** subject to decision of the Finance Department.

(viii) 9.4.5.8 AIR No. 07 District Police Officer, Kasur – Rs. 1,372,745/-

20.04.2015: The Department explained that expenditure had been incurred on different kinds of stationery articles on different occasions with approval of competent authority after observing the codal formalities.

The Committee **settled the para** as a special case with the directions that it should not be referred as a precedent in future. Moreover, mechanism be devised to avoid such practices in future.

(ix) 9.4.5.9 AIR No. 05 District Police Officer, Gujrat – Rs. 1,325,676/-

21.04.2015: The Department explained that a case for regularization of the expenditure had been moved to the Finance Department.

The **para was conditionally settled** subject to decision of the Finance Department with the directions that Internal Auditing mechanism of the Department should be strengthened.

(x) 9.4.5.10 AIR No. 01 Regional Police Officer, Multan – Rs. 1,302,841/-

20.04.2015: The Department explained that stationery had been purchased after inviting tenders through the newspaper and Category-I officer had full powers to accord sanction for the purpose.

The explanation of the Department was accepted and the above **para was conditionally settled** subject to verification of relevant record by Audit showing competency and sanction of concerned officers.

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(xi) **9.4.5.11 AIR No. 05 SP Special Branch, Gujranwala – Rs. 1,274,973/-**

21.04.2015: The Department explained that expenditure had been incurred within the competency of concerned officer after observing all the codal formalities.

The **para was conditionally settled** subject to verification of relevant record by Audit, showing competency of the sanctioning authority.

(xii) **9.4.5.12 AIR No. 10 City Police Officer, Faisalabad – Rs. 1,233,039/-**

21.04.2015: The Department explained that purchase of stationery had been made after observing all the codal formalities.

Audit contended that tender was published on 22.2.2011 while purchases had been made during the period from November 2010 to February 2011.

It was observed that concerned field officer was not able to explain the factual position in the meeting while the concerned CPO was also absent.

The Committee directed/recommended that an inquiry be conducted to thrash out the facts and fix responsibility for the lapse, if any, under intimation to the PAC within 90 days.

The **para was kept pending.**

(xiii) **9.4.5.13 AIR No. 01 Regional Police Officer, Rawalpindi – Rs. 906,966/-**

21.04.2015: The Department explained that purchase of stationery had been made after fulfillment of codal formalities and sanction was granted by the competent authority.

The Committee directed/recommended that relevant record regarding competency of the concerned officer should be got verified by Audit, failing which the expenditure be got regularized by the Finance Department.

Subject to above directions, **the para was conditionally settled.**

(xiv) **9.4.5.14 AIR No. 01 City Traffic Officer, Multan – Rs. 629,922/-**

20.04.2015: The Department explained that stationary had been purchased after inviting tenders through the newspaper and Category-I officer had full powers to accord sanction for the purpose.

The explanation of the Department was accepted and the above **para was conditionally settled** subject to verification of relevant record by Audit showing competency and sanction of concerned officers.

(xv) **9.4.5.15 AIR No. 01 AIG Traffic Punjab, Lahore – Rs. 598,382/-**

22.04.2015: The Department explained that purchase of stationery was made after advertisement in newspaper with due approval of the competent authority.

Audit contended that sanction had not been accorded according to relevant financial rules.

The Committee directed/recommended that matter be referred to the Finance Department for seeking advice/condonation if necessary.

The **para was conditionally settled** subject to decision of the Finance

(xvi) **9.4.5.16 AIR No. 03 District Police Officer, Okara – Rs. 541,709/-**

21.04.2015: The Department explained that purchase of stationery had been made after fulfillment of codal formalities and sanction was granted by the competent authority.

The Committee directed/recommended that relevant record regarding competency of the concerned officer should be got verified by Audit, failing which the expenditure be got regularized by the Finance Department.

Subject to above directions, **the para was conditionally settled.**

6. Para No.9.4.6 Pages 216 & 217 of Audit Report for the year 2011-12, Drawal of advance payment without immediate requirement – Rs.10.808 million

Air No. 1 Secretary Home Lahore

30.10.2014: The Department explained that an amount of Rs.22 million was drawn from treasury for making payment to Excise & Taxation Department on account of registration of 11 VVIP vehicles which were to be used in Chief Minister Secretariat. The amount in cash was drawn pursuant to refusal of E & T Department to accept the cheques/bank draft. However, a sum of Rs.10,807,869/- could not be utilized due to non-availability of requisite documents and the same was deposited back into government treasury. As such, advance cash was drawn due to practical compulsions.

The **para was conditionally settled** subject to condonation of the irregularity by the Finance Department.

7. Para No.9.4.7 Pages 217 & 218 of Audit Report for the year 2011-12, Irregular purchase of dietary articles without calling tenders – Rs.2.735 million

AIR No. 8 District Jail, Faisalabad

22.04.2015: The Department explained that dietary articles had been purchased from the previous contractors during the interim period of renewal of agreements at the previous rates and the contractors were bound to supply articles till 30 September, as per agreement.

The Committee **settled the para** with the directions/recommendations that an advice be sought from PPRA for future guidance.

8. Para No.9.4.8 Pages 218 & 219 of Audit Report for the year 2011-12, Loss caused due to non adherence to authorized mode of payment of salaries – Rs. 1.603 million

AIR No. 4 CCPO, Lahore

22.04.2015: The Department explained that vehicle carrying the amount involved in Audit observation was blocked by the protestors where it was looted and FIR had been registered regarding this accident against the unknown accused but no one could be held responsible.

The Committee directed/recommended that matter be referred for examination of the Finance Department whether the aforesaid loss could be written off or otherwise.

The para was kept pending.

9. Para No.9.4.9 Pages 220 & 221 of Audit Report for the year 2011-12, Irregular expenditure due to splitting and violation of tendering process – Rs.124.914 million

- (i) **9.4.9.1 AIR No. 01 Additional IG Logistics, Lahore – Rs. 47,350,000/-**
- (ii) **9.4.9.1 AIR No. 02 Additional IG Logistics, Lahore – Rs. 70,000,000/-**

22.04.2015: The Department explained that equipment had been purchased with approval of the Chief Minister and relevant record had been got verified by Audit.

On the recommendations of Audit, **the paras were settled.**

(iii) 9.4.9.2 AIR No. 14 City Police Officer, Multan – Rs. 4,331,529/-

20.04.2015: The Department explained that expenditure had been incurred on different vehicles on different dates from different firms and expenditure on repair of each vehicle was less than Rs.150,000/-.

The Committee directed/recommended that relevant record be got verified by Audit and if expenditure on certain vehicle exceeded Rs.150,000/-, the same be got regularized from the Finance Department.

Subject to above directions, the **para was conditionally settled**.

(iv) **9.4.9.3 AIR Nos. 13 & 15 City Police Officer, Faisalabad – Rs. 1,036,895/-**

21.04.2015: The Department explained that purchase of tyre, tubes, batteries and bar lights were made after fulfillment of all the codal formalities. It was added that practical difficulties were involved in fulfillment of PPRA rules.

The Committee directed/recommended that an inquiry be conducted to thrash out the facts and fix responsibility for the lapse, if any and irregularity be got condoned by the Finance Department under intimation to the PAC within 90 days.

The **para was kept pending**.

(v) **9.4.9.5 AIR No. 13 City Police Officer, Gujranwala – Rs. 408,619/-**

21.04.2015: The Department explained that different vehicles were got repaired on different dates from different firms through limited tender inquiry as the estimated cost in each case was less than Rs.0.150 million.

Audit contended that amount of Bill No.36 was more than Rs.150,000/-.

The **para was kept pending** with the directions/recommendations that aforesaid irregular expenditure should be got regularized by the Finance Department.

(vi) **9.4.9.7 AIR No. 08 Additional IG Special Branch (HQ), Lahore – Rs. 248,575/-**

22.04.2015: The Department explained that a case for regularization of the expenditure had been moved to the Finance Department.

The Committee directed/recommended that an inquiry be conducted to thrash out the matter and fix responsibility for the lapse, if any.

The **para was conditionally settled** subject to above directions and decision of the Finance Department.

(vii) **9.4.9.9 AIR No. 03 Regional Police Officer, Rawalpindi – Rs. 148,824/-**

21.04.2015: The Department explained that different vehicles were got repaired on different dates after fulfillment of codal formalities and expenditure was incurred within the competency of concerned officer.

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

10. Para No.9.4.10 Pages 222 to 224 of Audit Report for the year 2011-12, Unauthorized consumption of POL beyond the prescribed ceiling – Rs.121.507 million

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- (i) 9.4.10.1 AIR No. 07 SSP Punjab Highway Patrolling, Lahore – Rs. 23,388,475/-
- (ii) 9.4.10.2 AIR No. 07 City Police Officer, Lahore – Rs. 13,893,308/-
- (iii) 9.4.10.16 AIR No. 05 AIG Traffic Punjab, Lahore – Rs. 1,937,383/-
- (iv) 9.4.10.21 AIR No. 11 Additional IG, Special Branch, Lahore – Rs. 1,060,428/-

22.04.2015: The Department explained that ceilings for POL for field offices was insufficient keeping in view the sensitivity of responsibilities of Police. As such, practical difficulties were involved in abiding by the POL ceilings.

The Committee directed/recommended that a Special Committee comprising a representative each from Home, Police, Finance and Audit should minutely examine the matter and submit recommendations to the PAC to resolve the issue.

The **paras were kept pending** for regularization of the expenditure by the Finance Department within 90 days.

- (v) 9.4.10.3 AIR No. 08 District Police Officer, Rajanpur – Rs. 10,381,645/-
- (vi) 9.4.10.5 AIR No. 08 District Police Officer, Gujrat – Rs. 8,367,448/-
- (vii) 9.4.10.6 AIR No. 11 City Police Officer, Faisalabad – Rs. 7,575,450/-
- (viii) 9.4.10.7 AIR No. 04 SP Traffic, Faisalabad – Rs. 6,635,787/-
- (ix) 9.4.10.8 AIR No. 12 City Police Officer, Gujranwala – Rs. 4,381,068/-
- (x) 9.4.10.9 AIR No. 03 SSP Special Branch, Faisalabad – Rs. 4,056,010/-
- (xi) 9.4.10.10 AIR No. 03 District Police Officer, Toba Tek Singh – Rs. 3,978,394/-
- (xii) 9.4.10.11 AIR No. 05 District Police Officer, Jhelum – Rs. 3,636,220/-
- (xiii) 9.4.10.12 AIR No. 14 City Police Officer, Rawalpindi – Rs. 3,360,224/-
- (xiv) 9.4.10.15 AIR No. 07 District Police Officer, Hafizabad – Rs. 2,848,253/-
- (xv) 9.4.10.17 AIR No. 09 District Police Officer, Chiniot – Rs. 1,812,929/-
- (xvi) 9.4.10.20 AIR No. 07 District Police Officer, Muzaffar Garh – Rs. 1,081,174/-
- (xvii) 9.4.10.23 AIR No. 07 SP Special Branch, Gujranwala – Rs. 971,432/-
- (xviii) 9.4.10.25 AIR No. 05 City Traffic Officer, Gujranwala – Rs. 711,473/-
- (xix) 9.4.10.27 AIR No. 06 District Police Officer, Jhelum – Rs. 416,071/-

21.04.2015: The Department explained that patrolling/security points had been enhanced due to terrorism and vehicles had to perform duties outside the districts for conducting raids and transportation of prisoners. As such POL had been consumed for official duties which could be verified from the log books.

The **paras were kept pending** with the directions/recommendations that expenditure be got regularized from the Finance Department and relevant record should also be got verified by Audit.

- (xx) 9.4.10.4 AIR No. 10 SP Special Branch, Multan – Rs. 9,031,224/-
- (xxi) 9.4.10.14 AIR No. 03 District Police Officer, Nankana Sahib – Rs. 3,254,322/-
- (xxii) 9.4.10.19 AIR No. 06 District Police Officer, Kasur – Rs. 1,252,695/-
- (xxiii) 9.4.10.22 AIR No. 03 District Police Officer, Lodhran – Rs. 1,026,343/-

(xxiv) 9.4.10.26 AIR No. 07 District Police Officer, Bahawalpur – Rs. 465,566/-

20.04.2015: The Department explained that patrolling/security points had been enhanced due to terrorism and vehicles had to perform duties outside the districts for conducting raids and transportation of prisoners. As such POL had been consumed for official duties which could be verified from the log books.

The **paras were kept pending** with the directions/recommendations that expenditure be got regularized from the Finance Department and relevant record should also be got verified by Audit.

(xxv) 9.4.10.13 AIR No. 02 Additional IG Punjab Highway Patrol, Lahore – Rs. 3,359,650/-

22.04.2015: The Department explained that patrolling/security points had been enhanced due to terrorism and vehicles had to perform duties outside the districts for conducting raids and transportation of prisoners. As such POL had been consumed for official duties which could be verified from the log books.

The **para was kept pending** with the directions/recommendations that expenditure be got regularized from the Finance Department and relevant record should also be got verified by Audit.

(xxvi) 9.4.10.28 AIR No. 08 District Police Officer, Sialkot – Rs. 300,484/-

21.04.2015: The Department explained that expenditure had been incurred on POL within the prescribed ceiling and the para had already been settled by the SDAC.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

11. Para No.9.4.11 Pages 224 to 226 of Audit Report for the year 2011-12, Unlawful retention/deposit of public money out of consolidated fund – Rs.77.186 million

- (i) **9.4.11.1 Central Jail, Gujranwala – Rs. 14,000,500/-**
- (ii) **9.4.11.2 Central Jail, Sahiwal – Rs. 10,370,000/-**
- (iii) **9.4.11.3 Central Jail, Kot Lakhpat, Lahore – Rs. 10,020,000/-**
- (iv) **9.4.11.4 District Jail, Sheikhpura – Rs. 9,086,942/-**
- (v) **9.4.11.5 Central Jail, Rawalpindi – Rs. 7,400,000/-**
- (vi) **9.4.11.6 Central Jail, Lahore – Rs. 5,687,580/-**
- (vii) **9.4.11.7 District Jail, Gujrat – Rs. 5,521,945/-**
- (viii) **9.4.11.8 District Jail, Kasur – Rs. 3,975,000/-**
- (ix) **9.4.11.10 District Jail, Multan – Rs. 2,582,504/-**
- (x) **9.4.11.11 District Jail, Faisalabad – Rs. 2,165,225/-**
- (xi) **9.4.11.12 District Jail, Jhelum – Rs. 2,087,300/-**

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(xii) 9.4.11.13 District Jail, Attock – Rs. 974,406/-

30.10.2014: The Department explained that Prison Foundation had been approved by the Chief Minister and it has been registered under Society Act 1860 and was being operated accordingly through its Executive Committee. The Department added that most of the foundations in the Province were working without proper rules/regulations.

Audit contended that rules of the foundations had not yet been approved by the competent authority and its activities/sources of income had not been defined.

The Committee directed/recommended that matter should be reconciled with Audit and Finance Department and report be submitted to the PAC.

The **paras were kept pending** with the recommendations that Special Audit of all foundations should be conducted across the Province.

(xiii) 9.4.11.4 AIR No. 03 District Jail, Sheikhpura – Rs. 9,086,942/-

30.10.2014: The Department explained that amount involved in Audit observation was received from auction of dry bread pieces which was spent for welfare of prisoners.

Audit and Finance Department contended that such funds ought to have been accounted for properly.

The Committee conditionally settled the para subject to regularization of the expenditure by the competent authority and verification of requisite record by Audit.

22.04.2015: The Department explained that case for regularization for the matter had been referred to the Finance Department.

The Committee directed/recommended that Finance Department should decide the matter within 10 days.

The **para was conditionally settled** subject to decision of the Finance Department.

12. Para No.9.4.12 Pages 226 & 227 of Audit Report for the year 2011-12, Non adjustment of imprest money drawn under the head of investigation cost – Rs.11.154 million

(i) 9.4.12.1 AIR No. 03 Capital City Police Officer, Lahore – Rs. 9,504,000/-

22.04.2015: The Department explained that an enquiry was being conducted into the matter which was still under process.

The Committee directed/recommended that Additional IG (Investigation) should inquire the matter personally within 30 days under intimation to the PAC.

The **para was kept pending.**

(ii) **9.4.12.2 AIR No. 05 City Police Officer, Multan – Rs. 1,650,000/-**

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

13. Para No.9.4.13 Pages 227 to 229 of Audit Report for the year 2011-12, Non/less deduction of mandatory subscriptions – Rs.6.975 million

(i) **9.4.13.1 AIR Nos. 9 & 10 Capital City Police Officer, Lahore – Rs. 3,740,736/-**

(ii) **9.4.13.4 AIR No. 05 Punjab Highway Patrolling, Lahore – Rs. 441,281/-**

22.04.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **paras were kept pending** with the directions/recommendations that their amount be reduced to the extent of recovery verified by Audit and balance amount be recovered within 90 days.

(iii) **9.4.13.5 AIR No. 05 Principal Police Training School, Rawalpindi – Rs. 271,143/-**

21.04.2015: The Department explained that partial recovery had been effected while balance amount was also being recovered from the salaries of concerned employees.

The **para was kept pending** with the directions/recommendations that amount of paras be reduced to the extent of recovered/verified by Audit and balance recovery should be pursued vigorously.

(iv) **9.4.13.6 AIR No. 05 City Police Officer, Multan – Rs. 206,387/-**

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

(v) **9.4.13.7 AIR No. 06 AIG Traffic Punjab, Lahore – Rs. 96,708/-**

22.04.2015: The Department explained that efforts were being made for recovery of outstanding dues.

The Committee expressed its displeasure on concerned field officer for not being prepared for the meeting and directed/recommended that such lapses must be avoided in future.

The **para was kept pending** for recovery of outstanding dues.

14. Para No.9.4.14 Pages 229 & 230 of Audit Report for the year 2011-12, Loss due to replacement of pistols – Rs.5.120 million

AIR No. 9 City Police Officer, Rawalpindi

21.04.2015: The Department explained that partial recovery had been effected from the responsible employees who were no longer in service and the cases against them were under trial in court. It was added that necessary action would be taken for recovery of outstanding dues.

The **para was kept pending** with the directions/recommendations that departmental action against the guilty employees must be ensured and if necessary, matter for recovery should be taken up with Revenue Authorities for necessary action

15. Para No.9.4.15 Pages 230 & 231 of Audit Report for the year 2011-12, Irregular purchase of dietary articles from un-approved contractor – Rs.4.833 million

AIR No. 7 District Jail, Faisalabad

22.04.2015: The Department explained that dietary articles had been purchased from wholesale dealers/bulk suppliers at much lesser rates as compared to the market rates.

The **para was kept pending** that in view of special circumstances of the Prisons, relaxation of rules be sought from the Finance Department.

17. Para No.9.4.17 Pages 232 to 234 of Audit Report for the year 2011-12, Irregular drawal of pay in excess of sanctioned strength – Rs.1.423 million

(i) **9.4.17.1 AIR No. 01 Additional IG Highway Patrolling, Lahore – Rs. 761,630/-**

22.04.2015: It was stated that after reconciliation of record, only a sum of Rs.68,310 was found to have been drawn irregularly, which would be got regularized.

The **para was conditionally settled** subject to regularization of the expenditure by the Finance Department.

(ii) **9.4.17.2 AIR No. 02 SSP Regional Investigation Branch, Faisalabad – Rs.661,056/-**

21.04.2015: The Department explained that 2 posts of DSPs were sanctioned for the Regional Office, Faisalabad and salaries were drawn accordingly.

The Committee directed/recommended that an inquiry be conducted to thrash out the matter and expenditure be got regularized by the Finance Department.

The **para was kept pending**.

18. Para No.9.4.18 Pages 234 & 235 of Audit Report for the year 2011-12, Non recovery of outstanding dues of Police Guard Services – Rs.126.297 million

(i) **9.4.18.1 AIR No. 13 Capital City Police Officer, Lahore – Rs. 78,401,491/-**

22.04.2015: The Department explained that partial recovery had been effected on account of Police Guard and efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that the amount be reduced to the extent of recovery verified by Audit and balance recovery be expedited.

(ii) **9.4.18.2 AIR No. 01 District Police Officer, Gujrat – Rs. 25,654,446/-**

21.04.2015: The Department explained that outstanding amount had been recovered from NBP, while in case of Pakistan Railway, only Rs.6,000,000/- was recovered and balance amount was still pending.

The **para was kept pending** with the directions/recommendations that matter regarding recovery from Pakistan Railway should be taken up with IPCC.

(iii) **9.4.18.3 AIR No. 20 City Police Officer, Gujranwala – Rs. 7,124,116/-**

21.04.2015: The Department explained that partial recovery had been effected from the concerned agencies on account of Police Guards and efforts were being made for balance recovery.

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The **para was kept pending** with the directions/recommendations that details of all the outstanding dues on account of Police Guards, should be submitted to the Secretary, Home Department, requesting him to take up the matter with higher authorities of concerned agencies/departments.

(iv) **9.4.18.4 AIR No. 06 District Police Officer, Rahim Yar Khan – Rs. 5,976,480/-**

(v) **9.4.18.8 AIR No. 05 District Police Officer, Nankana Sahib – Rs. 1,445,030/-**

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the paras were settled.**

(vi) **9.4.18.5 AIR No. 02 City Police Officer, Faisalabad – Rs. 4,345,950/-**

21.04.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

(vii) **9.4.18.6 AIR No. 07 District Police Officer, Rajanpur – Rs. 1,740,400/-**

21.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the above para** with the directions/recommendations that warnings be issued to the officials/officers responsible for overpayment.

(viii) **9.4.18.7 AIR No. 08 District Police Officer, Kasur – Rs. 1,608,898/-**

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that its displeasure on delay in recovery of outstanding dues should be conveyed through the Secretary Home Department, to the concerned quarter/NBP and timely payments must be ensured in future.

19. Para No.9.4.19 Pages 236 to 238 of Audit Report for the year 2011-12, Unauthorized payment of fixed daily allowance to un-entitled officials – Rs.92.665 million

(i) **9.4.19.2 AIR Nos. 02 & 08 Punjab Highway Patrolling, Lahore – Rs. 4,640,697/-**

22.04.2015: The Department explained that total outstanding dues involved in AP. No. 8, had been recovered while in case of AP No.2, recovery pointed out by Audit had been waived off by the Finance Department.

The **para was conditionally settled** subject to verification of relevant record by Audit.

(ii) **9.4.19.3 AIR No. 09 Additional IGP Highway Patrolling, Lahore – Rs. 3,876,000/-**

22.04.2015: The Department explained that as per decision of the court, recovery pointed out by Audit had been waived off by the Finance Department.

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

(iii) **9.4.19.4 AIR No. 05 District Police Officer, Jhelum – Rs. 1,837,500/-**

(iv) **9.4.19.9 AIR No. 03 Chief Traffic Officer, Rawalpindi – Rs. 685,800/-**

21.04.2015: The Department explained that recovery pointed out by Audit had been waived off by the Finance Department which could be verified by Audit.

The **paras were conditionally settled** subject to verification of relevant record by Audit.

(v) **9.4.19.5 AIR Nos. 2 & 8 Chief Traffic Officer, Multan – Rs. 1,423,617/-**

20.04.2015: The Department explained that bulk of the outstanding amount had been recovered and only Rs.65,700/- was pending which would also be recovery at the earliest.

The **para was kept pending** with the directions/recommendations that total recovery should be effected within 90 days.

(vi) **9.4.19.6 AIR No. 03 District Police Officer, Sialkot – Rs. 919,300/-**

21.04.2015: The Department explained that fixed daily allowance had not been paid to the officers/ officials availing leave and relevant record in this regard was available for verification.

The **para was conditionally settled** subject to verification of relevant record by Audit provided that no outstanding dues were recoverable.

(vii) **9.4.19.7 AIR No. 15 City Police Officer, Gujranwala – Rs. 877,627/-**

21.04.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

Audit contended that requisite record had not been produced and generally, junior officials visited the Audit Office who were not conversant with financial matters.

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The Committee directed/recommended that Additional Chief Secretary Punjab should issue instructions that an officer should be nominated deputed and notified in each Department for production of record to Audit and strict disciplinary action be taken against the delinquents. Moreover, any practical hindrance in this regard should be promptly reported to the concerned Director General Audit as well as Assembly Secretariat.

The **para was kept pending**.

(viii) **9.4.19.8 AIR No. 03 District Police Officer, Kasur – Rs. 737,800/-**

20.04.2015: The Department explained that all the official mentioned in Audit observation were performing operational duties and recovery pointed out by Audit was not justified.

The **para was kept pending** with the directions/recommendation a clarification be sought in the matter from the Finance Department within 15 days.

(ix) **9.4.19.11 AIR Nos. 08 District Police Officer, Rahim Yar Khan – Rs. 445,660/-**

(x) **9.4.19.13 AIR No. 08 District Police Officer, Nankana – Rs. 330,000/-**

(xi) **9.4.19.17 AIR No. 04 City Police Officer, Multan – Rs. 171,864/-**

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the above paras** with the directions/recommendations that warnings be issued to the officials/officers responsible for overpayment.

(xii) **9.4.19.15 AIR No. 07 Police Training School, Rawalpindi – Rs. 193,890/-**

21.04.2015: The Department explained that partial recovery had been effected while balance amount was also being recovered from the salaries of concerned employees.

The **para was kept pending** with the directions/recommendations that amount of paras be reduced to the extent of recovered/verified by Audit and balance recovery should be pursued vigorously.

(xiii) **9.4.19.18 AIR No. 07 Additional IGP, C.I.D, Lahore – Rs. 70,682/-**

22.04.2015: The Department explained that total outstanding amount had been recovered while balance amount was not due.

The **para was conditionally settled** subject to reconciliation/verification of relevant record by Audit.

20. Para No.9.4.20 Pages 238 to 240 of Audit Report for the year 2011-12, Overpayment of allowances during leave/suspension – Rs.43.821 million

(i) 9.4.20.1 AIR Nos. 18,19 & 20 City Police Officer, Lahore – Rs. 30,706,629/-

22.04.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that their amount be reduced to the extent of recovery verified by Audit and balance amount be recovered within 90 days.

(ii) 9.4.20.2 AIR No. 4 District Police Officer, Sialkot – Rs. 1,880,740/-

21.04.2015: The Department explained that fixed daily allowance had not been paid to the officers/officials availing leave and relevant record in this regard was available for verification.

The **para was conditionally settled** subject to verification of relevant record by Audit provided that no outstanding dues were recoverable.

(iii) 9.4.20.3 AIR No. 4 District Police Officer, Nankana – Rs. 1,729,780/-

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the above para** with the directions/recommendations that warnings be issued to the officials/officers responsible for overpayment.

(iv) 9.4.20.5 AIR Nos. 1 & 2 District Police Officer, Kasur – Rs. 1,156,900/-

20.04.2015: The Department explained that total outstanding dues had been recovered from the concerned officers/officials which had been got verified by Audit.

The Committee directed/recommended that concerned Accounts Officer should be held responsible for overpayment and action should be taken against those at fault.

Subject to above directions, **the para was settled.**

(v) 9.4.20.6 AIR Nos. 6,7 & 8 District Police Officer, Okara – Rs. 1,112,961/-

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(vi) **9.4.20.10 AIR Nos. 8 & 11 District Police Officer, Pakpattan – Rs. 454,555/-**

21.04.2015: The Department explained that partial recovery had been effected while balance amount was also being recovered from the salaries of concerned employees.

The **paras were kept pending** with the directions/recommendations that amount of paras be reduced to the extent of recovered/verified by Audit and balance recovery should be pursued vigorously.

(vii) **9.4.20.8 AIR Nos. 2 & 4 District Police Officer, Jhelum – Rs. 652,162/-**

21.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the above para** with the directions/recommendations that warnings be issued to the officials/officers responsible for overpayment.

(viii) **9.4.20.9 AIR No. 3 District Police Officer, Sheikhpura – Rs. 487,780/-**

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

The Committee **settled the paras** with the directions that internal controls should be strengthened to avoid such lapses in future.

(ix) **9.4.20.11 AIR Nos. 2 & 3 SP Traffic, Faisalabad – Rs. 396,900/-**

21.04.2015: The Department explained that partial recovery had been effected and balance amount would also be recovered within 90 days.

The **para was kept pending** with the directions/recommendations that amount of para be reduced to the extent of recovery verified by Audit and balance recovery be expedited under report to PAC within 90 days.

(x) **9.4.20.12 AIR No. 5 District Police Officer, Chiniot – Rs. 357,218/-**

21.04.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

(xi) 9.4.20.13 AIR Nos. 6 & 14 City Police Officer, Faisalabad – Rs. 350,369/-

21.04.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that warnings be issued to the incumbents responsible for overpayment and amount of paras be reduced to the extent of recovery which was verified by Audit.

(xii) 9.4.20.14 AIR No. 1 DIG VVIP Security, Rawalpindi – Rs. 306,151/-

22.04.2015: The Department explained that bulk of the outstanding amount had been recovered leaving a balance of Rs.4,000/- only which was outstanding against a deceased employee.

The **para was kept pending** with the directions/recommendations that non-recoverable amount be got written off by the competent authority.

(xiii) 9.4.20.15 AIR Nos. 2 & 6 Special Branch, Multan – Rs. 268,264/-

20.04.2015: The Department explained that total outstanding dues had been recovered from the concerned officials/officers.

Audit contended that recovery of Rs.154,010/- had been verified while balance amount was still pending.

The Committee reduced the para to the extent of recovery verified by Audit with the directions/recommendation that total recovery should effected/got verified by Audit within 90 days. Meanwhile warning be issued to the responsible officers/officials.

The **para was kept pending**.

(xiv) 9.4.20.16 AIR No. 6 District Police Officer, Lodhran – Rs. 215,530/-

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled**.

(xv) 9.4.20.17 AIR Nos. 4 & 5 SP Special Branch, Faisalabad – Rs. 187,230/-

21.04.2015: The para comprised two parts:-

AP No.4

21.04.2015: The Department explained that total outstanding amount had been recovered and the same had also been got verified by Audit.

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On the recommendations of Audit, **the AP was settled.**

AP No.5

21.04.2015: The Department explained that partial recovery had been effected and balance amount would also be recovered within 90 days.

The **AP was kept pending.**

(xvi) 9.4.20.18 AIR No. 08 Additional IG PHP, Lahore – Rs. 178,622/-

22.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the above para** with the directions/recommendations that warnings be issued to the concerned DDOs.

(xvii) 9.4.20.19 AIR Nos. 11&12 District Police Officer, Bahawalpur – Rs. 171,899/-

20.04.2015: The Department explained that partial recovery had been effected while hectic efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that balance amount should be recovered within 90 days.

(xviii) 9.4.20.20 AIR No. 05 District Police Officer, Toba Tek Singh – Rs. 140,221/-

21.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the above para** with the directions/recommendations that warnings be issued to the officials/officers responsible for overpayment.

(xix) 9.4.20.21 AIR No. 10 City Police Officer, Rawalpindi – Rs. 122,505/-

21.04.2015: The Department explained that no payment was made to 9 officials involved in the para and balance amount had been recovered.

The Committee directed/recommended that recoverable amount be reconciled with Audit and action be taken against the concerned officers/officials, responsible for overpayment, if any.

The **para was conditionally settled** subject to above directions and verification of record, regarding recovery of total outstanding dues, by Audit.

(xx) 9.4.20.23 AIR No. 06 Police Training School, Rawalpindi – Rs. 95,625/-

22.04.2015: The Department explained that partial recovery had been effected and balance amount would also be recovered at the earliest.

The **para was kept pending** with the directions that amount be reduced to the extent of recovery verified by Audit and warnings be issued to the concerned DDOs.

(xxi) 9.4.20.24 AIR No. 14 District Police Officer, Muzaffargarh – Rs. 55,340/-

21.04.2015: The Department explained that partial recovery had been effected and balance amount would also be recovered within 90 days.

The **para was kept pending** with the directions/recommendations that balance amount should be recovered within stipulated time and warning be issued to the officers/officials responsible for overpayment.

21. Para No.9.4.21 Pages 241 & 242 of Audit Report for the year 2011-12, Non-recovery of pay and allowances/fines from the dismissed/punished officials – Rs.30.298 million

(i) 9.4.21.1 AIR No. 12 City Police Officer, Rawalpindi – Rs. 17,410,129/-

21.04.2015: The Department explained that partial recovery had been effected while balance amount was also being recovered from the salaries of concerned employees.

The **para was kept pending** with the directions/recommendations that amount of para be reduced to the extent of recovered amount verified by Audit and balance recovery should be pursued vigorously. The Committee further directed/recommended that any charges for deductions/adjustments of salaries should be submitted by the DDO within 90 days failing which 50% of the adjustable amount should be imposed as penalty upon him. Meanwhile, a Special Committee comprising representative each from Audit, Finance and Police Department should examine the issues of computerized changes and submit recommendations to the PAC at the earliest.

(ii) 9.4.21.3 AIR No. 3 Punjab Highway Patrolling Lahore – Rs. 2,542,510/-

22.04.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit and issuance of warnings to the concerned DDOs.

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(iii) 9.4.21.4 AIR Nos. 2, 7 District Police Officer, Sheikhpura – Rs. 979,866/-

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

The Committee **settled the para** with the directions that internal controls should be strengthened to avoid such lapses in future.

(iv) 9.4.21.5 AIR Nos. 2 Chief Traffic Officer, Rawalpindi – Rs. 312,425/-

21.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

22. Para No.9.4.22 Pages 242 & 243 of Audit Report for the year 2011-12, Overpayment of monthly fixed TA to constables/head constables – Rs.28.163 million

(i) 9.4.22.1 AIR No. 10 City Police Officer, Gujranwala – Rs. 22,996,800/-

21.04.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that an inquiry be conducted to fix responsibility for overpayment and further action should be taken against the responsible officers/officials under intimation to the PAC within 90 days.

(ii) 9.4.22.2 AIR No. 02 District Police Officer, Sialkot – Rs. 4,718,000/-

(iii) 9.4.22.3 AIR No. 12 District Police Officer, Hafizabad – Rs. 384,000/-

21.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the above paras** with the directions/recommendations that warnings be issued to the officials/officers responsible for overpayment.

(iv) 9.4.22.4 AIR No. 10 Police Training School, Farooqabad – Rs. 63,800/-

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the Committee **settled the above para** with the directions/recommendations that warnings be issued to the officials/officers responsible for overpayment.

23. Para No.9.4.23 Pages 243 to 246 of Audit Report for the year 2011-12, Overpayment of inadmissible allowances – Rs.27.888 million

(i) 9.4.23.2 AIR No. 01 Chief Traffic Officer, Rawalpindi – Rs. 2,418,000/-

21.04.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

(ii) 9.4.23.3 District Jail, Faisalabad – Rs. 971,648/-

30.10.2014: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled**.

(iii) 9.4.23.4 AIR No. 3&4 City Police Officer, Faisalabad – Rs. 908,676/-

21.04.2015: The Department explained that partial recovery had been effected and efforts were being made for recovery of outstanding dues from the salaries of concerned employees.

The Committee directed/recommended that action should be taken against the incumbents responsible for overpayment within 90 days and amount of para be reduced to the extent of recovery verified by Audit.

The **para was kept pending**.

(iv) 9.4.23.5 AIR No. 01 District Jail, Attock – Rs. 561,533/-

30.10.2014: The Department explained that concerned official had filed a petition before Provincial Ombudsman and the case was still pending.

Being subjudice, the para was kept pending.

22.04.2015: The Department explained that case had been decided by the court and efforts were being made for recovery of outstanding dues.

The **para was kept pending** with the directions/recommendations that recovery be pursued vigorously.

(v) 9.4.23.6 AIR No. 07 Central Jail, Rawalpindi – Rs. 141,000/-

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30.10.2014: The Department explained that total amount had been recovered from concerned officials through installments from their salaries.

The Committee directed/recommended that warning be issued to the concerned employees and the para was conditionally settled subject to verification of requisite record by Audit.

22.04.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

24. Para No.9.4.24 Pages 246 & 247 of Audit Report for the year 2011-12, Less recovery of traffic fines – Rs. 21.937 million

AIR No. 1 Punjab Highway Patrol Lahore

22.04.2015: The Department explained that PHP was not empowered to seize any documents against challan tickets. Therefore, recovery progress was not satisfactory. It was added that proposals to resolve such issues were under consideration of a Committee appointed by the Chief Minister, Punjab.

The Committee directed/recommended that fate of previous outstanding dues should also be got decided by the aforesaid Committee.

The **para was kept pending.**

25. Para No.9.4.25 Pages 247 & 248 of Audit Report for the year 2011-12, Fraudulent drawl of money – Rs.13.366 million

AIR No. 1 Capital City Police Officer, Lahore

22.04.2015: The Department explained that subject case was under investigation by NAB and the accused were under arrest.

The **para was kept pending.**

26. Para No.9.4.26 Pages 248 & 249 of Audit Report for the year 2011-12, Non-recovery of fines – Rs.18.035 million

AIR No. 1 City Police Officer, Rawalpindi

21.04.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit and issuance of warnings to the responsible employees.

27. Para No.9.4.27 Page 250 of Audit Report for the year 2011-12, Overpayment of fixed daily allowance – Rs.6.542 million

AIR No. 1 SP Traffic, Faisalabad Region

21.04.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that an inquiry be conducted to fix responsibility for overpayment and further action should be taken against the responsible officers/officials under intimation to the PAC within 90 days.

28. Para No.9.4.28 Pages 251 & 252 of Audit Report for the year 2011-12, Non-recovery of outstanding dues of canteens – Rs.4.270 million

(i) 9.4.28.1 AIR No. 02 Central Jail, Gujranwala – Rs. 2,339,167/-

30.10.2014: The Department explained that the subject matter was subjudice in the Anti Corruption Court.

The para was kept pending with the directions that matter be pursued vigorously.

22.04.2015: The Department explained that case was under trial in the Anti-corruption court.

The **para was kept pending**.

(ii) 9.4.28.3 AIR No. 02 District Jail, Multan – Rs. 537,500/-

30.10.2014: The Department explained that total outstanding amount had been recovered which would be deposited into government treasury.

The para was conditionally settled subject to verification of relevant record by Audit.

22.04.2015: The Department explained that total outstanding dues on account of Jail canteen had been recovered and deposited into Punjab Prison Foundation. It was added that Foundation was functioning with approval of the competent authority and land pointed out by Audit had been transferred to the foundation.

The Committee directed/recommended that lease of the land should be got changed according to the colonies act on the same terms and conditions. However, functioning of the Prisons Foundation will be continued as earlier.

Report of PAC-II (2011-12)

Subject to above directions/recommendations, **the para was settled.**

(iii) 9.4.28.3 AIR No. 4 District Jail, Multan – Rs. 537,500/-

30.10.2014: The Department explained that tender notice for auction of the jail canteen was published in the press but the old contractor filed a petition in Lahore High Court Lahore and got a stay order in his favour. As such, the matter was still pending in the court.

Being subjudice, the para was kept pending with the directions that matter be pursued vigorously.

22.04.2015: The Department explained that the stay order had been got vacated and outstanding dues had also been recovered.

The **para was kept pending** for verification of record by Audit.

(iv) 9.4.28.4 AIR No. 14 Capital City Police Officer, Lahore – Rs. 113,717/-

22.04.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

Audit contended that lesser recovery was made as compared to the agreement.

The **para was kept pending** with the directions that an advice in the matter be sought from the Finance Department.

29. Para No. 9.4.29 Pages 252 to 254 of Audit Report for the year 2011-12, Loss due to theft of vehicles and motorcycles – Rs.3.794 million

(i) 9.4.29.2 AIR No. 13 Additional Inspector General Special Branch, Lahore – Rs. 755,000/-

22.04.2015: The Department explained that recovery was being effected in case of stolen motorcycles while in case of stolen vehicle, an inquiry was being conducted to fix responsibility for the lapse.

The Committee expressed its displeasure on non-finalization of inquiry proceedings despite lapse of several years while the concerned field officer was not at all prepared for the meeting and directed that PAO should ensure its finalization within 60 days failing which the matter be referred to CMIT.

The **para was kept pending.**

(ii) 9.4.29.3 AIR No. 09 District Police Officer, Muzaffargarh – Rs. 530,000/-

21.04.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The amount of para was reduced to the extent of recovery verified by Audit with the direction/recommendations that balance recovery would be expedited.

The para was kept pending.

(iii) 9.4.29.4 AIR No. 11 Additional IGP C.T.D. Lahore – Rs. 500,000/-

22.04.2015: The Department explained that loss had been written off by the Finance Department which had been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

(iv) 9.4.29.6 AIR No. 11 City Police Officer, Multan – Rs. 83,400/-

20.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

30. Para No.9.4.30 Pages 254 & 255 of Audit Report for the year 2011-12, Non recovery of electricity and gas charges from the residents of jail colony – Rs.2.808 million

(i) 9.4.30.2 Central Jail, Lahore – Rs. 171,000/-

(ii) 9.4.30.3 Central Jail, Faisalabad – Rs. 238,000/-

(iii) 9.4.30.5 Central Jail, Gujranwala – Rs. 124,800/-

30.10.2014: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

(iv) 9.4.30.4 AIR No. 04 District Jail, Sheikhpura – Rs. 196,183/-

22.04.2015: The Department explained that outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled** with the directions that such lapses should be avoided in future.

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The Committee appreciated the overall performance of Prison Department, particularly the Inspector General (Prisons).

31. Para No.9.4.31 Pages 255 & 256 of Audit Report for the year 2011-12, Loss due to non-recovery on account of risk and cost – Rs.2.569 million

(i) AIR No. 9 Central Jail, Faisalabad

30.10.2014: The Department explained that recovery from M/s Nazir Oil & Rice Mills was not due in the light of High Court's decision whereas in case of M/s Afzaal Brothers, efforts were being made for recovery of outstanding dues as arrears of land revenue.

The **para was kept pending** with the directions/recommendations that defaulting contractors should be black-listed across the Province and case for recovery be pursued vigorously.

(ii) 9.4.31 (ii) AIR No. 9 Central Jail Faisalabad

22.04.2015: The Department explained that action had been taken against the contractors as well as the employees at fault and efforts were being made for recovery of outstanding dues.

The **para was kept pending** with the directions that matter be pursued vigorously.

32. Para No.9.4.32 Pages 257 & 258 of Audit Report for the year 2011-12, Non/less recovery of HRA, CA and house maintenance charges – Rs.1.929 million

(i) 9.4.32.3 AIR No. 01 Special Branch Multan Region, Multan – Rs. 111,444/-

20.04.2015: The Department explained that actual recoverable amount was Rs.80,438/- which had been recovered.

Audit contended that recovery of Rs.50,038/- only had been verified.

The Committee directed/recommended that recoverable amount be reconciled with Audit and total outstanding dues should be recovered within 90 days.

The **para was kept pending**.

(ii) 9.4.32.4 AIR No. 12 City Police Officer, Faisalabad – Rs. 98,250/-

21.04.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that warnings be issued to the incumbents responsible for overpayment and amount of paras be reduced to the extent of recovery which was verified by Audit.

(iii) 9.4.32.5 AIR No. 07 Additional IGP Highway Patrolling, Lahore – Rs. 81,840/-

22.04.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that balance amount be recovered within 90 days and warnings be issued to the concerned DDOs.

33. Para No.9.4.33 Pages 258 to 260 of Audit Report for the year 2011-12, Non/less deduction of income tax/surcharge on income tax and sales tax – Rs.1.241 million

(i) 9.4.33.1 Secretary Home Department, Lahore – Rs. 504,025/-

30.10.2014: The Department explained that M/S Toyota Ravi Motors had furnished a certificate regarding the sales tax. Moreover, internet services, repair of vehicles, furniture and machinery did not fall under the taxable services.

The **para was conditionally settled** subject to reconciliation/verification of requisite record by Audit.

(ii) 9.4.33.2 Central Jail, Rawalpindi – Rs. 370,000/-

30.10.2014: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above para was settled**.

(iii) 9.4.33.3 AIR No. 4 Police Training School, Rawalpindi – Rs. 137,260/-

22.04.2015: The Department explained that bulk of the outstanding amount had been recovered leaving a balance of Rs. 4,595/- which would also be recovered at the earliest.

The **para was kept pending** with the directions/recommendations that its amount be reduced to the extent of recovery verified by Audit and balance recovery be expedited.

(iv) 9.4.33.5 AIR No. 9 District Jail, Gujrat – Rs. 112,200/-

30.10.2014: The Department explained that total outstanding amount had been recovered which had also been deposited into Govt. treasury.

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Audit contended that the Department was required to produce credit verification of treasury challans.

The Committee conditionally settled the para subject to verification of requisite record by Audit.

22.04.2015: The Department explained that outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled** with the directions that such lapses should be avoided in future.

The Committee appreciated the overall performance of Prison Department, particularly the Inspector General (Prisons).

34. Para No.9.4.34 Pages 260 & 261 of Audit Report for the year 2011-12, Doubtful expenditure on repairs of vehicles – Rs.1.432 million

- (i) **9.4.34.1 AIR No. 07 City Police Officer, Gujranwala – Rs. 656,438/-**
- (ii) **9.4.34.3 AIR No. 07 District Police Officer, Jhelum – Rs. 226,742/-**

21.04.2015: The Department admitted that explanation of the field formation was not satisfactory and the matter was required to be investigated.

The Committee endorsed that an inquiry be conducted to thrash out the facts and to fix responsibility for the lapse within 30 days, under intimation to the PAC.

The paras were kept pending.

- (iii) **9.4.34.2 Secretary Home Department, Lahore – Rs. 548,844/-**

30.10.2014: The Department explained that engine over-hauling of only one vehicle was got conducted and after partial work, the vehicles were driven back for official use and then sent back to workshop for repair because repair work could take two/three days. As such, POL was actually consumed in vehicles and no irregularity was committed.

The Committee was not satisfied with explanation of the Department and directed/recommended that an inquiry should be conducted to fix responsibility for the lapse and report be submitted to the PAC within 30 days.

The para was kept pending.

GENERAL OBSERVATIONS/RECOMMENDATIONS

20.04.2015: The Committee observed that overall performance of the department in dealing with the Appropriation Accounts, Audit Report and presentation of working papers to PAC-II was far away from satisfactory. The working papers for the meeting of Public Accounts Committee-II were submitted very late, almost few hours before the

commencement of the meeting. Moreover, the working papers had not been compiled in accordance with the prescribed format.

The Committee took serious notice of the casual attitude of the concerned officers of the Home Department towards the PAC business which caused loss of precious time of the committee as well as loss of huge amount of public money and desired that displeasure of the Committee may be conveyed to the concerned officers through the Secretary/ Principle Accounting Officer. It was further directed/recommended that Home Department should ensure submission of working papers in consolidated form after collecting the same from all its field formations/attached departments.

Social Welfare, Women Development & Bait-ul-Maal Department

HOUSING, URBAN DEVELOPMENT & PUBLIC HEALTH ENGINEERING

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Housing, Urban Development & Public Health Engineering Department in its meetings held on 26.11.2014, 27.11.2014, 28.11.2014, 27.05.2015, 28.03.2016 & 29.03.2016 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Page 359 of Appropriation Accounts for the year 2011-12

06	Housing & Community Amenities
061	Housing Development
0611	Housing Development
061101	Administration

LQ4076 Housing & Physical Planning Department

Final Grant		Rs.55,884,000/-
Actual Expenditure		Rs.53,315,015/-
Saving	(-)	Rs. 2,568,985/-
Percentage		4.60%

26.11.2014: The Department explained that saving had occurred because several posts were lying vacant while bulk of the saving under the sub-head A012-1 had occurred because house rent was not drawn by certain officers as government accommodation was allotted to them.

The Committee **settled the item** with the direction that surplus funds should be timely surrendered in future.

2. Grant No. PC21017 (017) Public Health Pages 102 to 107 of Appropriation Accounts for the year 2011-12

(i)	06	Housing And Community Amenities
	063	Water Supply
	0631	Water Supply
	063101	Administration

LQ4201 Chief Engineer (North Zone)

Final Grant		Rs.423,450,000/-
Actual Expenditure		Rs.388,656,290/-
Saving	(-)	Rs. 34,793,710/-
Percentage		8.22%

26.11.2014: The Department explained that excess expenditure against the sub-head A011-1 was due to less allocation of funds as compared to actual requirement and revision of pay scales while saving against various sub-heads had been occurred due to several posts lying vacant.

The Committee observed that explanation of the department was far from satisfaction and working papers had not been prepared properly as per prescribed format.

The Committee further directed that an inquiry be conducted to fix responsibility for huge fluctuations against various sub-heads and excess expenditure be got regularized by the Finance Department.

The item was conditionally settled subject to above directions.

29.03.2016: The representative of AG Punjab apprised the Committee that the working papers had not been timely submitted by the department therefore, the fresh comments could not be incorporated in the working papers.

The Committee directed/recommended that in future, department should ensure timely submission of working papers.

The **item was kept pending** for reconciliation of accounts with concerned quarters.

- (ii) 06 Housing And Community Amenities
063 Water Supply
0631 Water Supply
063101 Administration
LQ4202 Chief Engineer (South Zone)

Final Grant		Rs.361,398,000/-
Actual Expenditure		Rs.378,437,564/-
Excess	(+)	Rs. 17,039,564/-
Percentage		4.71%

26.11.2014: The representative of AG Punjab stated that reconciliation of accounts was required in case of above items.

The Committee kept the items pending with the directions that accounts should be reconciled with AG Punjab/DG Accounts as well as Finance Department and a joint inquiry be conducted by the aforesaid department to thrash out the discrepancies against various sub-heads. Moreover, the excess expenditure against various sub-heads should be got condoned by the Finance Department.

The item was kept pending.

29.03.2016: The representative of AG Punjab apprised the Committee that the working papers had not been timely submitted by the department therefore, the fresh comments could not be incorporated in the working papers.

The Committee directed/recommended that in future, department should ensure timely submission of working papers.

The **item was kept pending** for reconciliation of accounts with concerned quarters.

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- (iii) 06 Housing And Community Amenities
 063 Water Supply
 0631 Water Supply
 063103 Grants, Loans & Subsidies

LQ4340 Director General Parks & Horticulture Authority

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,193,973,000/-	Rs.1,193,973,000/-
Actual Expenditure	Rs.1,189,041,310/-	Rs.1,189,335,842/-
Saving (-)	Rs. 4,931,690/-	Rs. 4,637,158/-
Percentage	0.41%	0.38%

26.11.2014: The Department explained that accounts had been reconciled and there was saving of Rs.4,637,158/- which was 0.38% of the final grant.

The saving being nominal, **the item was settled.**

- (iv) 08 Recreational Culture And Religion
 082 Cultural Services
 0821 Cultural Services
 082120 Others

LQ4541 Project Director Bagh-e-Jinnah PHA

Final Grant	Rs.70,338,000/-
Actual Expenditure	Rs.70,444,584/-
Excess (+)	Rs. 106,584/-
Percentage	0.15%

26.11.2014: The representative of AG Punjab stated that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation of accounts within 30 days.

29.03.2016: The Department explained that accounts had been reconciled with AG Punjab and there was nominal savings against various sub-heads while excess expenditure against the sub-heads "Pay of Officers" and "Regular Allowances" had been incurred due to the drawal of salary & allowances of two deceased employees.

The Committee **conditionally settled the item** subject to condonation of excess expenditure by Finance Department.

- (v) 06 Housing And Community Amenities
 063 Water Supply
 0631 Water Supply
 063103 Grants, Loans & Subsidies

LQ4904 MD PHA Rawalpindi

AG Figures

Departmental Figures

Report of PAC-II (2011-12)

Final Grant	Rs.50,000,000/-	Rs.50,000,000/-
Actual Expenditure	Rs.49,814,141/-	Rs.49,814,141/-
Saving (-)	Rs. 185,859/-	Rs. 185,859/-
Percentage	0.37%	0.3%

26.11.2014: The Department explained that accounts had been reconciled and the funds had been almost fully utilized.

The Committee settled the above items subject to verification of above figures by AG/Accounts office.

29.03.2016: The Department explained that the saving was nominal i.e. 0.03 % and requested for its settlement.

The Committee **settled the item.**

3. Grant No. PC21024/PC24024(024) Civil Works Page 360 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
045 Construction & Transport
0457 Construction (Works)
045702 Buildings and Structures

LQ4254 Maintenance of Buildings of H&PP Department

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.3,600,000/-	Rs.3,600,000/-
Actual Expenditure	Rs.3,264,796/-	Rs.3,347,248/-
Saving (-)	Rs. 335,204/-	Rs. 252,751/-
Percentage	9.31%	7.02%

26.11.2014: The Department explained that accounts had been reconciled and there was saving of Rs.252,751/- which was 7.02% of the final grant. It was added that funds could not be utilized due to non-completion of work at site.

The Committee **settled the item** with the direction that surplus funds should be timely surrendered in future.

4. Grant No. PC21026 (026) Housing & Physical Planning (Voted) Pages 361 to 363 of Appropriation Accounts for the year 2011-12

(i) 06 Housing & Community Amenities
061 Housing Development
0611 Housing Development
061101 Administration
LQ4275 Headquarter Establishment

Report of PAC-II (2011-12)

Final Grant		Rs.63,746,000/-
Actual Expenditure		Rs.61,054,056/-
Saving	(-)	Rs. 2,691,944/-
Percentage		4.22%

26.11.2014: The Department explained that there was nominal saving against various sub-heads which was regretted.

The Committee observed that there was excess expenditure against the sub-head A-011-1 for which no explanation had been tendered at all. The Committee therefore directed that proper explanation against each sub-head should be incorporated in working papers. The Committee further directed that an inquiry be conducted to thrash out the matter and excess expenditure be got regularized by the Finance Department.

The item was conditionally settled subject to above directions.

29.03.2016: The representative of AG Punjab apprised that working papers had not been timely submitted by the Department, therefore, fresh comments could not be incorporated in working papers.

The Department explained that excess expenditure was incurred under the sub-head of Pay of Officers which was inevitable, however, a condonation case had also been referred to the Finance Department for regularization of excess expenditure. As such, inquiry was not necessary in the subject case.

The Committee expressed its displeasure on casual attitude of the concerned officer and non-compliance of its earlier directions. The Committee reiterated its directions/recommendations that an inquiry be conducted to thrash out the matter and report be submitted to the PAC within 15 days.

The item was kept pending.

- (ii) 06 Housing & Community Amenities
062 Community Development
0621 Urban Development
062120 Others

LQ4538 Punjab Land Development Company

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.100,000,000/-	Rs.66,938,000/-
Actual Expenditure	Rs.100,000,000/-	Rs.66,938,000/-
Excess/Saving	<i>Nil</i>	<i>Nil</i>
Percentage	0.00%	0.00%

26.11.2014: The Department explained that accounts had been reconciled and the funds had been almost fully utilized.

The Committee settled the above item subject to verification of above figures by AG/Accounts office.

29.03.2016: The representative of AG Punjab apprised the Committee that the working papers had not been timely submitted by the department therefore, the fresh comments could not be incorporated in the working papers.

The Committee directed/recommended that in future, department should ensure timely submission of working papers.

The **item was kept pending** for reconciliation of accounts with concerned quarters.

- (iii) 06 Housing & Community Amenities
061 Housing Development
0611 Housing Development
061102 Low Cost Housing
LQ4762 Field Formation

Final Grant		Rs.165,670,000/-
Actual Expenditure		Rs.148,645,817/-
Saving	(-)	Rs. 17,024,183/-
Percentage		10.28%

26.11.2014: The Department explained that saving had occurred because 50% posts were lying vacant due to strict economy measures.

The Committee **settled the item** with the direction that surplus funds should be timely surrendered in future.

5. Grant No. PC22036 (036) Development (All Voted) Pages 364 to 367 of Appropriation Accounts for the year 2011-12

- (i) 06 Housing & Community Amenities
062 Community Development
0621 Urban Development
062103 Urban Planning
LE4280 Urban Planning

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.12,253,874,000/-	Rs.12,253,874,000/-
Actual Expenditure	Rs.10,242,424,075/-	Rs.10,242,385,751/-
Saving	(-) Rs. 2,011,449,925/-	Rs. 2,011,488,249/-
Percentage	16.41%	16.41%

26.11.2014: The Department explained that item-wise position of the components pertaining to different formations.

The Committee **settled the item** with the directions/recommendations that PAO should examine the matter and issue warnings to the concerned officers responsible for lapse of funds.

Report of PAC-II (2011-12)

- (ii) 06 Housing & Community Amenities
 063 Water Supply
 0631 Water Supply
 063102 Works (Construction) & Operations
LE4281 Chief Engineer North PHE

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.3,174,140,000/-	Rs.5,871,157,000/-
Actual Expenditure	Rs.3,098,509,428/-	Rs.5,746,557,200/-
Saving (-)	Rs. 75,630,572/-	Rs. 124,599,800/-
Percentage	2.38%	2.12%

- (iii) 06 Housing & Community Amenities
 063 Water Supply
 0631 Water Supply
 063102 Works (Construction) & Operations
LE4282 Chief Engineer South PHE

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,932,117,000/-	Rs.3,610.473
Actual Expenditure	Rs.1,967,368,538/-	Rs.3,582.768
Excess (+)	Rs. 35,251,538/-	Rs. 27.684
Percentage	1.82%	0.76%

26.11.2014: The representative of AG Punjab stated that reconciliation of accounts was required in case of above items.

The Committee kept the items pending with the directions that entire grant should be reconciled with AG Punjab/DG Accounts as well as Finance and Planning & Development Department and a joint inquiry be conducted by the aforesaid department including a representative from Planning & Development Department to thrash out the discrepancies against various sub-heads and report be submitted to the PAC within 30 days. Moreover, the excess expenditure against various sub-heads should be got condoned by the Finance Department.

28.03.2016: The representative of AG informed that overall figures of the grant had been reconciled while sub-head wise figures were required to be reconciled.

The Department explained that a Joint Committee of P&D, Finance and Accountant General/DG Accounts Works had considered the grant whereby it was established that excess expenditure had been incurred against the sub-heads of pay & allowances.

The **items were kept pending** for regularization of excess expenditure and submission of reconciled figures by the Department.

- (iv) 06 Housing & Community Amenities
063 Water Supply
0631 Water Supply
063102 Works (Construction) & Operations
LE4394 Chief Engineer Public Health Engineering

Final Grant		Rs.5,292,597,000/-
Actual Expenditure		Rs.4,572,170,857/-
Saving	(-)	Rs. 720,426,143/-
Percentage		13.61%

26.11.2014: The representative of AG Punjab stated that reconciliation of accounts was required in case of above items.

The Committee **kept the item pending** with the directions that entire grant should be reconciled with AG Punjab/DG Accounts as well as Finance and Planning & Development Department and a joint inquiry be conducted by the aforesaid department including a representative from Planning & Development Department to thrash out the discrepancies against various sub-heads and report be submitted to the PAC within 30 days. Moreover, the excess expenditure against various sub-heads should be got condoned by the Finance Department.

6. Grant No. PC12040 Town Development (All Voted) Page 368 of Appropriation Accounts for the year 2011-12

- 06 Housing & Community Amenities
061 Housing Development
0611 Housing Development
061102 Low Cost Housing
LE4200 Low Cost Housing

Final Grant		Rs.281,015,000/-
Actual Expenditure		Rs.222,125,185/-
Saving	(-)	Rs. 58,889,815/-
Percentage		20.96%

26.11.2014: The Department explained that fund could not be utilized because the same were released during the last month of financial year. As such, payments could not be made due to time constraints.

The Committee settled the item with the directions that financial mechanisms should be improved for better utilization of budget in future and omission against the sub-head A09 as depicted in working papers should be reconciled with the Finance Department.

29.03.2016: The representative of AG Punjab stated that accounts were still required to be reconciled by the Administrative Department and the excess expenditure against various sub-heads were yet to be condoned by the Finance Department.

Report of PAC-II (2011-12)

The Committee directed/recommended that entire grant should be reconciled with AG Punjab and Finance Department.

The **item was kept pending** for reconciliation of accounts with concerned quarters.

**7. Grant No. PC12043 (043) Loans to Municipalities/Autonomous Bodies etc.
Page 369 of Appropriation Accounts for the year 2011-12**

01 General Public Service
014 Transfers
0142 Transfers (Others)
014202 Transfer to Non-financial Institutions
LE4258 Transfer to Non-Financial Institutions

Final Grant	Rs.415,000,000/-
Actual Expenditure	Rs.415,000,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

26.11.2014: The Department explained that all the allocated funds had been fully utilized.

The **item was accordingly settled.**

AUDIT PARAS (WORKS) FOR THE YEAR 2011-12

- 1. Para No.3.4.1 Page 119 of Audit Report for the year 2011-12, Non-clearance of long term liabilities – Rs.3,567.673 million**
-

DP No. 161 Director Finance, WASA (FDA), Faisalabad

28.11.2014: The Department explained that WASA income mainly depended on bills of water supply & sewerage services for which tariff had been frozen since 2006 while the operational and maintenance charges were increasing due to subsidized services by the Department. Therefore, matter had been taken up with the government for conversion of loans into grant.

The Committee directed/recommended that a policy decision should be taken by the Finance Department and Additional Chief Secretary, Punjab to resolve such issues, under intimation to the PAC at the earliest.

The para was kept pending.

28.03.2016: The Department explained that matter for conversion of loan into grant had been taken up with the Finance Department and policy decision would be taken by the Additional Chief Secretary, Punjab.

The **para was kept pending** till policy decision by the Government.

- 2. Para No.3.4.2 Pages 119 & 120 of Audit Report for the year 2011-12, Non-recovery of building period penalty – Rs.344.566 million**
-

DP No. 288 Director Land Development UD-Wing LDA, Lahore

27.11.2014: The Department explained that recovery had been miscalculated by Audit while efforts were already being made for recovery of actual outstanding dues and partial recovery had been effected.

The para was kept pending with the directions that recoverable amount should be reconciled with Audit within 30 days under intimation to the PAC.

29.03.2016: The Department explained that total outstanding dues had been recovered except in case of one plot for which the matter was subjudice in the court.

The **para was kept pending** with the directions that its amount be reduced to the extent of recovery verified by Audit and the case under trial should be pursued vigorously.

Report of PAC-II (2011-12)

3. Para No.3.4.3 Pages 120 to 124 of Audit Report for the year 2011-12, Irregular grant and non-adjustment of advances – Rs.326.343 million

(i) 3.4.3.1 DP No. 98 Director Finance, WASA, LDA, Lahore

26.11.2014: The Department explained that in case of Finance Directorate, a sum of Rs.20.390 million had been adjusted and efforts were being made for recovery of remaining amount. The Department further stated that in case of Land Acquisition Collector, an amount of Rs.118.371 million had been adjusted while cases for balance amount were under trial in the court.

The Committee directed/recommended that matter should be got regularized by the Finance Department and balance amount be adjusted within 30 days under intimation to the PAC.

The para was kept pending.

29.03.2016: The Department explained that out of total outstanding advances amounting to Rs.279.275 million, an amount of Rs. 193.926 million had been adjusted while balance amount of Rs.63.775 million was lying in the government treasury because several cases were pending in the court. The payments would be made to the awardees in the light of decision of the court.

The Committee expressed its concern on blockage of public money for several years and directed/recommended that fate of blocked funds should be decided in consultation with the Finance Department. The amount of para was reduced to the extent of adjustments verified by Audit.

The para was kept pending.

(ii) 3.4.3.2 DP No. 72 Director Finance, UD-Wing LDA, Lahore

27.11.2014: The Department explained that a sum of Rs.16.531 million and Rs.6.628 million had already been adjusted and Director General LDA was authorized to sanction all types of advances to employees in Grade 17 and above.

The Committee directed/recommended that keeping in view the Audit objection, a clarification in the matter be sought from the Authority wherein the opinion of Secretary Finance Department must be duly considered.

The para was kept pending.

29.03.2016: The Department explained that total outstanding advances had been recovered/adjusted and vouched account had also been got verified by Audit. Moreover, in compliance with previous directions of PAC, Authority had also delegated powers to the Director General for granting advances while a note had also been referred to the Finance Department for seeking clarification which was still awaited.

The Additional Secretary (Monitoring) Finance Department and Audit opined that advances were granted by the concerned officer beyond his competency, at that time. However, requisite advice had also been issued by the Finance Department.

After detailed deliberations, **the para was conditionally settled** subject to clarification by the Finance Department.

(iii) 3.4.3.3 DP No. 73 Director Finance, UD-Wing LDA, Lahore

27.11.2014: The Department explained that advances were given to the officers to meet urgent nature of supplies with approval of the competent authority. However, some of the record was not traceable and the matter would be resolved at the earliest.

The para was kept pending with the directions that matter should be pursued vigorously and resolve the issue within 30 days.

29.03.2016: The Department explained that advances were granted to two officers to meet the emergency situations for procurement of different articles but relevant record had been burnt into ashes during the tragic fire incident at Finance Directorate, LDA.

The Committee was not satisfied with the explanation of the Department and directed/recommended that duplicate record/proper justification should be produced to the Director General Audit (Works) Lahore for verification within 15 days failing which recovery be imposed on the concerned officers.

The para was kept pending.

(iv) 3.4.3.4 DP No. 162 Director Finance, WASA, FDA, Faisalabad

28.11.2014: The Department explained that total outstanding amount had been recovered/adjusted which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

(v) 3.4.3.5 DP No. 319 Director, Admn & Finance, TEPA, Lahore

27.05.2015: The Department explained that advances amounting to Rs.423,242/- had been adjusted while efforts were being made for recovery of balance amount.

The para was kept pending for reconciliation of outstanding dues with Audit.

29.03.2016: The Department explained that partial adjustment of advances had been made while efforts were being made for balance adjustment from the concerned officer. However, one employee involved in the subject case had died.

Report of PAC-II (2011-12)

The Committee directed/recommended that requisite record be produced for verification within 15 days failing which recovery be imposed on the responsible officers/officials. Meanwhile, the case of deceased employee be moved for seeking write off sanction by the competent authority.

The para was kept pending.

4. Para No.3.4.4 Pages 124 to 127 of Audit Report for the year 2011-12, Unjustified payment due to execution of work without Job Mix Formula – Rs.204.255 million

(i) **3.4.4.1 DP No. 108 Director ADS-I UD-Wing LDA, Lahore**

(ii) **3.4.4.4 DP No. 118 Director Building-I, UD-Wing LDA, Lahore**

27.11.2014: The Department explained that project was executed under the resident supervision of consultant M/s NESPAK who had also verified the payments on the basis of laboratory test reports.

The Committee accepted the departmental contention that report of RR&MTI was not mandatory and conditionally settled the above paras subject to verification of contract agreement and consultant reports by Audit.

29.03.2016: The Department explained that as per previous directions of PAC, the reports from consultant (M/S NESPAK) had already been furnished to Audit for verification while bulk of the record had been burnt in fire incident dated 9.5.2013.

The Committee directed/recommended that supporting record of each as bank transactions and MBs should be produced to Audit for verification. However, it should not be quoted as precedent in future.

The paras were conditionally settled subject to above directions/recommendations.

(iii) **3.4.4.2 DP No. 116 Director ADS-II UD-Wing LDA, Lahore**

27.11.2014: The Department explained that project was executed under the resident supervision of consultant M/s NESPAK who had also verified the payments on the basis of laboratory test reports.

The Committee accepted the departmental contention that report of RR&MTI was not mandatory and conditionally settled the above para subject to verification of contract agreement and consultant reports by Audit.

29.03.2016: The Department explained that consultant reports from M/S NESPAK had been obtained and all the relevant record was available for the verification by Audit.

The para was conditionally settled subject to verification of relevant record by Audit.

(iv) **3.4.4.3 DP No. 330 Director, Engineering Construction, TEPA, Lahore**

27.05.2015: The Department stated that JMF was approved by M/s NESPAK, being consultant of the work and requisite test for bitumen extraction was carried out by them.

The **para was conditionally settled** subject to verification of JMF of NESPAK, by Audit.

29.03.2016: The Department explained that Job Mix Formula report had been approved by the Consultant and test report of Road Research Laboratory were also available for verification.

The **para was conditionally settled** subject to verification of record by Audit.

5. Para No.3.4.5 Page 127 of Audit Report for the year 2011-12, Irregular award of work due to single tender – Rs.199.914 million

DP No. 31 Project Engineer, PMU, Mianwali

28.11.2014: The Department explained that tenders were invited through advertisement in the newspaper but only one firm participated and work was awarded with due approval of the competent authority.

The Committee directed/recommended that an inquiry be conducted into the matter and further action should be taken by the PAO accordingly. Meanwhile, the approval of competent authority be got verified by Audit.

The para was conditionally settled subject to above directions

28.03.2016: The Department explained that as per previous directions of PAC, an inquiry had been conducted into the matter whereby it was concluded that procuring agency was empowered to award contract to single bidder.

The Committee **settled the para** with expression of its displeasure on huge delay in completion of the project.

6. Para No.3.4.6 Pages 128 to 131 of Audit Report for the year 2011-12, Non-recovery of secured advance – Rs.64.648 million

(i) **3.4.6.1 DP No. 225 Executive Engineer Public Health Engineering Division, Gujrat**

(ii) **3.4.6.3 DP No. 60 Executive Engineer, PHE division Rawalpindi**

28.11.2014: The Department explained that partial recovery had been effected from the contractors on account of secured advance and the scheme was still under process. As such, balance recovery would also be adjusted in due course.

Report of PAC-II (2011-12)

The Committee reduced the above paras to the extent of recovery verified by Audit with the directions/recommendations that warning be issued to the officers/officials responsible for non-recovery of secured advance timely and effect balance recovery within 60 days.

The paras were kept pending.

28.03.2016: The Department explained that scheme was still ongoing while partial recovery had already been effected and efforts were being made for balance recovery.

The **paras were kept pending** with the directions/recommendations that balance recovery should be pursued vigorously.

(iii) 3.4.6.2 DP No. 328 Director, Engineering Construction, TEPA, Lahore

27.05.2015: The Department stated that secured advance was allowed during May 2011 against bulk supply of bitumen and total outstanding amount had been recovered from bills of the contractor.

The Director (Monitoring) Finance Department opined that secured advance was not admissible in the subject case and condonation of the payment was required from the Finance Department.

The Committee directed/recommended that an Inquiry Committee comprising Technical Advisor of the Administrative Department and a representative of Finance Department should thrash out the matter and then, case for condonation be moved to the Finance Department.

The para was kept pending.

29.03.2016: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The Committee accepted the explanation of the Department and **settled the para** subject to verification of relevant record by Audit.

(iv) 3.4.6.4 DP No. 12 Executive Engineer, Project Management Unit, Chakwal

28.11.2014: The Department explained that available security deposit of contractor had been withheld and other division had been requested to recover the outstanding amount from the defaulting contractor.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for the lapse and show cause notice be issued to the responsible officer as to why recovery should not be imposed upon him.

The para was kept pending.

28.03.2016: The Department explained that contractor had absconded and efforts were being made for recovery as arrears of land revenue.

The Committee directed/recommended that recovery along with interest should be imposed on the concerned officers and the same be pursued vigorously.

The **para was kept pending.**

7. Para No.3.4.7 Pages 131 to 133 of Audit Report for the year 2011-12, Non-recovery of risk & cost amount from defaulting contractor– Rs.49.393 million

(i) 3.4.7.1 DP No. 11 Executive Engineer, Project Management Unit PHE, Jhelum

28.11.2014: The Department explained that a sum of Rs.4.258 million had been recovered and efforts were being made for balance recovery.

The Committee directed/recommended that recoverable amount be reconciled with Audit and action should be taken against the officers/officials responsible for non-recovery of outstanding dues.

The para was kept pending.

28.03.2016: The Department explained that partial recovery had been effected while case had been referred to DCO Jhelum for balance recovery from the defaulting contractor, as arrears of land revenue.

The Committee directed/recommended that case of all the outstanding dues against the defaulting contractor involved in the subject para, should be reported to NAB, under intimation to the PAC.

The **para was kept pending.**

(ii) 3.4.7.2 DP No. 221 Executive Engineer, PHE, Pakpattan Sharif

27.11.2014: The Department explained that work had been completed at the risk & cost of original contractor and an amount of Rs.534,411/- had been recovered from him while efforts were being made for balance recovery.

The **para was kept pending** with the directions/recommendations that balance amount should be recovered within 30 days.

(iii) 3.4.7.3 DP No. 14 Executive Engineer, Project Management Unit PHE, Chakwal

28.11.2014: The Department explained that security deposit of the contractor had been forfeited and efforts were being made for recovery of outstanding dues.

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The Committee directed/recommended that an inquiry be conducted to fix responsibility for the lapse and actions should be taken against the defaulters.

The para was kept pending.

28.03.2016: The Department explained that as per previous directions of PAC, an inquiry had been ordered to thrash out the matter vide orders dated 23.02.2016.

The Committee expressed its displeasure on non-compliance of its earlier directions despite lapse of almost two years and reiterated its directions/recommendations that inquiry be conducted by the PAO to fix responsibility for the lapse and recovery be imposed on the responsible officers/officials.

The **para was kept pending** for submission of inquiry report to the PAC, within 15 days.

8. Para No.3.4.8 Pages 134 & 135 of Audit Report for the year 2011-12, Loss to the Authority due to abandonment of project – Rs.41.926 million

DP No. 289 Director Finance UD-Wing LDA Lahore

27.11.2014: The Department explained that consultant was engaged for two parking plazas but Parking Plaza near H.Karim Buksh Lahore could not be constructed due to non-availability of funds. However, payment to the contractor was made only for design and planning. As such, no overpayment was involved.

The para was kept pending with the directions that matter should be reconciled with Audit.

29.03.2016: The Department explained that payment to the contractor was made as per agreement and the same had been got verified by Audit.

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

9. Para No.3.4.9 Pages 135 & 136 of Audit Report for the year 2011-12, Unauthorized transfer of funds from lapsable SDA account to non-lapsable PLA Account – Rs.40.979 million

(i) 3.4.9.1 DP No. 291 Director Finance, WASA, LDA, Lahore

(ii) 3.4.9.2 DP No. 292 Director Finance, WASA, LDA, Lahore

26.11.2014: The Department explained that funds amounting to Rs.79.000 million were received on 24.6.2011. As such, the bills could not be processed due to time constraints and funds were transferred to PLA to clear the long outstanding liabilities. However, a case for regularization of the matter had been referred to the Finance Department.

The paras were conditionally settled subject to condonation within 30 days.

29.03.2016: The Department explained that the case for condonation of irregularity had already been moved to the Finance Department.

Finance department apprised that condonation case had been returned to the Administrative Department for submission of requisite probe report.

The Committee directed/recommended that all cases for seeking condonation should be submitted to the Finance Department along with requisite probe reports duly approved by the PAO.

The paras were kept pending.

10. Para No.3.4.10 Pages 136 to 138 of Audit Report for the year 2011-12, Loss due to execution of defective work – Rs.40.038 million

(i) 3.4.10.1 DP No. 141 Director Construction-II, WASA, FDA, Faisalabad

27.05.2015: The Department explained that an amount of Rs.806,384/- had been recovered from the contractor on account of defective work and responsible officers/officials were also penalized. It was added that discrepancies had been rectified.

Audit contended that work ought to have been executed as per approved specification and actual outstanding amount was Rs.10.141 million instead of Rs.806,384/-.

The Committee directed/recommended that necessary measures should be taken for rectification of the defective work and security bond be sought from the contractor to ensure completion of natural life of the work done. Meanwhile, physical verification reports be got vetted by the Director General, FDA.

The para was kept pending.

28.03.2016: The Department explained that total outstanding dues had been recovered while penalty had been waived off by the Director General, FDA who was competent for the purpose.

The Committee directed/recommended that relevant record regarding recovery and competency of Director General, to waive off the penalty, should be produced to Audit for verification.

The para was conditionally settled subject to above directions/recommendations.

(ii) 3.4.10.2 DP No. 154 Director Construction-I, WASA, FDA, Faisalabad

27.05.2015: The Department explained that according to the physical verification report of Quality Control Division, all the defects had been removed and work had also been completed.

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Audit contended that price variation on Bajri was paid without provision in agreement.

The Committee directed/recommended that physical verification report should be got vetted by the Director General, FDA and the matter regarding price variation on bajri, should be referred to the Finance Department for seeking clarification.

The para was kept pending.

28.03.2016: The Department explained that as per previous directions of PAC, physical verification report duly vetted by DG, FDA had been produced to Audit for verification while the case regarding price variation of bajri had been referred to Finance Department for seeking advice.

The Additional Secretary (Monitoring) Finance Department stated that price variation was not allowed in the subject case and requisite advice had been issued vide letter dated 16.3.2016.

The **para was kept pending** with the directions/recommendations that further action should be taken as per advice of the Finance Department.

(iii) 3.4.10.3 DP No. 44 Director Development Avenue-I, LDA, Lahore

27.11.2014: The Department explained that damage had been rectified by the contractor at his own Risk & Cost which had been verified by M/s NESPAK.

The para was conditionally settled subject to verification of consultant's report by Audit.

29.03.2016: The Department explained that consultant reports from M/S NESPAK had been obtained and all the relevant record was available for the verification by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

11. Para No.3.4.11 Pages 139 to 143 of Audit Report for the year 2011-12, Overpayment due to application of incorrect input rates– Rs.36.656 million

- (i) **3.4.11.1 DP No. 274 Director, Engineering, TEPA, LDA Lahore**
- (ii) **3.4.11.2 DP No. 276 Director, Engineering, TEPA, LDA Lahore**
- (iii) **3.4.11.3 DP No. 279 Director, Engineering, TEPA, LDA Lahore**
- (iv) **3.4.11.4 DP No. 280 Director, Engineering, TEPA, LDA LAHORE**
- (v) **3.4.11.5 DP No. 278 Director, Engineering, TEPA, LDA Lahore**

27.05.2015: The Department explained that estimates were prepared by the consultant on the basis of prevailing market rates and administrative approval was accorded accordingly by the Chief Minister Punjab.

Audit contended that concurrence of Finance Department was required in the subject paras.

The paras were kept pending for seeking concurrence from the Finance Department.

29.03.2016: The Department explained that detailed estimates were prepared by the consultant based on prevailing market rates and accordingly administrative approval amounting to Rs. 499.916 million was accorded by the Chief Minister Punjab and a reference along with supporting documents had already been moved to Finance Department for seeking advice which was still awaited.

Audit contended that it was also required to be ascertained whether approval of Chief Minister Punjab had been sought for payments of rates over and above MRS.

The Committee directed/recommended that Finance Department should resolve the matter in co-ordination with Administrative Department by appointing a Special Committee comprising representative each from Technical Wing, Finance Department, TEPA, Audit and Administrative Department and report thereon be submitted to the PAC, within 15 days.

The paras were kept pending.

(vi) 3.4.11.6 DP No. 182 Project Engineer, PMU/PHED Division Rajanpur

27.11.2014: The Department explained that outstanding amount had been recovered which had been got verified by Audit.

Audit contended that recovery had been effected from the security deposit of the contractor and verification of final bill was required in above cases.

The Committee conditionally **settled the above para** subject to verification of final bill by Audit and directed/recommended that warnings be issued to the officers/officials responsible for non-recovery of outstanding dues timely.

12. Para No.3.4.12 Pages 143 to 154 of Audit Report for the year 2011-12, Non-recovery due to de-escalation in the rates of material – Rs.35.163 million

- (i) 3.4.12.1 DP No. 102 Director ADS-I UD-Wing, LDA, Lahore
- (ii) 3.4.12.2 DP No. 113 Director ADS-II UD-Wing, LDA, Lahore
- (iii) 3.4.12.6 DP No. 105 Director ADS-I UD-Wing, LDA, Lahore
- (iv) 3.4.12.8 DP No. 103 Director ADS-I UD-Wing, LDA, Lahore
- (v) 3.4.12.9 DP No. 129 Director Avenue-I UD-Wing, LDA, Lahore
- (vi) 3.4.12.10 DP No. 115 Director ADS-II UD-Wing, LDA, Lahore
- (vii) 3.4.12.13 DP No. 70 Director Avenue-I, Urban Development Wing, LDA, Lahore
- (viii) 3.4.12.14 DP No. 106 Director ADS-I, UD-Wing, LDA, Lahore
- (ix) 3.4.12.15 DP No. 112 Director ADS-II, UD-Wing, LDA, Lahore

Report of PAC-II (2011-12)

27.11.2014: The Department explained that outstanding amount had been recovered which had been got verified by Audit.

Audit contended that recovery had been effected from the security deposit of the contractor and verification of final bill was required in above cases.

The Committee conditionally settled the above paras subject to verification of final bill by Audit and directed/recommended that warnings be issued to the officers/officials responsible for non-recovery of outstanding dues timely.

29.03.2016: The Department explained that total outstanding dues had been recovered which could be verified by Audit and warnings had also been issued to the incumbents. However, agreement/final bill had been burnt in fire incident of LDA Plaza.

The Committee directed/recommended that supporting record such as bank transactions and MBs should be produced to Audit for verification within 15 days. However, it should not be quoted as precedent in future.

The **paras were conditionally settled** subject to above directions/recommendations.

(x) 3.4.12.3 DP No. 15 Director Engineering, WASA, GDA, Gujranwala

26.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The Committee directed/recommended that warnings be issued to the concerned officers as well as the DAO responsible for non-recovery of dues timely. It was further recommended that agreement clauses regarding escalation/de-escalation should be reviewed by the competent authority.

The para was settled subject to above direction.

28.03.2016: The Department explained that as per directions of PAC, warnings had been issued to the incumbents and a reference had been moved to the Finance Department for necessary review of escalation/de-escalation clauses of the agreement.

The **para was kept pending** with the directions/recommendations that Finance Department should decide the matter within 30 days.

(xi) 3.4.12.4 DP No. 326 Director Engineering Construction, TEPA, Lahore

27.05.2015: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The Committee settled the para with the directions/recommendations that warning be issued to the concerned DDO, responsible for overpayment.

29.03.2016: The Department explained that complete recovery involved in the para had been effected and warning had also been issued to the concerned officer.

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

(xii) 3.4.12.5 DP No. 104 Director ADS-I UD-Wing, LDA, Lahore

27.11.2014: The Department explained that total outstanding amount had been recovered which had been produced to Audit for verification.

Audit contended that during verification of record, supplementary observations were also made which required further verification of record.

The Committee directed/recommended that action should be taken against the officers/officials responsible for the lapse and requisite record be got verified by Audit.

The para was conditionally settled subject to above directions.

29.03.2016: The Department explained that total recovery as pointed out by Audit, had been effected and all the relevant record was available for verification.

The Committee **conditionally settled the para** subject to verification of supplementary record in support of departmental contention by Audit within 15 days with the directions that internal financial controls be strengthened to avoid such lapses in future.

(xiii) 3.4.12.7 DP No. 9 Director Engineering, WASA, GDA, Gujranwala

26.11.2014: The Department explained that total outstanding amount had been recovered in above cases which had also been got verified by Audit.

On the recommendation of Audit, **the above para was settled.**

(xiv) 3.4.12.11 DP No. 26 Executive Engineer, Project Management Unit (PHE Division), Bahawalpur

27.11.2014: The Department explained that total outstanding amount on account of de-escalation had been recovered which had also been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that warning be issued to the officers/officials responsible for the lapse.

(xv) 3.4.12.12 DP No. 28 Project Engineer, PMU, Bhakkar

Report of PAC-II (2011-12)

28.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

Audit contended that final bill was required for verification.

The Committee directed/recommended that requisite record be got verified by Audit and warning be issued to the officers/officials responsible for the lapse including the DAO.

The para was conditionally settled subject to above directions.

28.03.2016: The Department explained that as per directions of PAC, final bill along with warnings to the incumbents, had been produced to Audit for verification.

On the recommendations of Audit, **the para was settled.**

(xvi) 3.4.12.16 DP No. 29 Project Engineer, PMU, Mianwali

28.11.2014: The Department explained that an amount of Rs.27,268/- had been recovered and efforts were being made for recovery of balance outstanding dues.

The Committee directed/recommended that recovery should be imposed upon the responsible officer and concerned DAO.

The para was kept pending.

28.03.2016: The Department explained that actual recoverable amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

13. Para No.3.4.13 Page 154 of Audit Report for the year 2011-12, Non-recovery of commercialization fee – Rs.20.872 million

DP No. 287 Director Commercialization LDA UD-Wing Lahore

27.11.2014: The Department explained that as a result of strenuous efforts by the Department, a sum of Rs.5.252 million had been recovered while an amount of Rs.11.184 million was not recoverable because the same was pending against currently residential properties. It was added that balance recovery was being pursued vigorously.

The para was kept pending with the directions/recommendations that complete recovery should be effected within 90 days.

29.03.2016: The Department explained that approximately a sum of Rs.5.252 million had been recovered on account of Commercialization Fee while cases involving an amount of

Rs.14.618 million were subjudice in the court of law and strenuous efforts were being made for balance recovery.

The Committee **kept the para pending** with the directions that Department should pursue the matter vigorously.

14. Para No.3.4.14 Pages 155 to 158 of Audit Report for the year 2011-12, Undue financial aid due to non obtaining of the additional performance security – Rs.16.016 million

(i) 3.4.14.1 DP No. 145 Director Construction-II, WASA, FDA, Faisalabad

27.05.2015: The Department explained that an inquiry was conducted into the matter whereby it was concluded that additional performance security amounting to Rs.1,770,000/- had been obtained and the work was completed satisfactorily.

Audit contended that work had been awarded at 35.14% below the estimated cost and as such, additional performance security amounting to Rs.6.222 million ought to have been obtained by the Department.

The Committee directed/recommended that a reference be moved to the Finance Department for seeking clarification from PPRA under intimation to the PAC within 15 days. It was also recommended that contractors offering low bids should be facilitated.

The para was kept pending.

28.03.2016: The Department explained that a case for seeking clarification had been referred to the Finance Department which was still awaited.

The **para was kept pending** for requisite clarification by the Finance Department within 30 days.

(ii) 3.4.14.2 DP No. 63 Executive Engineer, PHE Division Vehari

27.11.2014: The Department explained that matter had been referred to the Finance Department for seeking condonation and draft charge sheet had been prepared against the responsables.

The Committee directed/recommended that warnings be issued to all the incumbents responsible for not following the instructions of the government and departmental action should be completed at the earliest.

The **para was kept pending**.

(iii) 3.4.14.3 DP No. 212 Executive Engineer, PHE Division Bahawalnagar

Report of PAC-II (2011-12)

- (iv) **3.4.14.4 DP No. 65 Executive Engineer, PHE Division Vehari**
- (v) **3.4.14.5 DP No. 220 Executive Engineer, PHE Pakpattan**

27.11.2014: The Department explained that matter had been referred to the Finance Department for seeking condonation and draft charge sheet had been prepared against the responsible. It was added that more than 90% of the work had been completed and outstanding dues for remaining work would be recovered at the earliest.

The Committee directed/recommended that departmental action should be completed within 30 days and if necessary, condonation be sought from the Finance Department.

The paras were kept pending.

15. Para No.3.4.15 Pages 158 to 159 of Audit Report for the year 2011-12, Excess payment on account of super plasticizer – Rs.13.517 million

DP No. 281 Director TEPA, LDA, Lahore

27.05.2015: The Department explained that plasticizer was used in foundation as per JMF and the consultant had also advised to use this chemical for early strength of the construction work.

The para was conditionally settled subject to verification of requisite record by Audit within 7 days.

29.03.2016: The Department explained that in compliance with PAC directives, approved JMF for concrete duly wetted by the consultant and other relevant record had been produced to Audit for verification. Moreover, the letter dated 11.11.2010, involved in Audit observation, had been withdrawn by the consultant.

The Committee **conditionally settled the para** subject to verification of withdrawal letter by Audit.

16. Para No.3.4.16 Pages 159 to 161 of Audit Report for the year 2011-12, Loss/non-recovery due to illegal water and sewerage connections – Rs.13.232 million

- (i) **3.4.16.1 DP No. 88 Director Admn/Finance WASA GDA, Gujranwala**

26.11.2014: The Department explained that partial recovery had been recovered from the defaulters and strenuous efforts were being made for balance recovery of water/sewerage charges.

The amount of para was reduced to the extent of recovery verified by Audit and the above paras were kept pending with the directions/recommendations that complete recovery should be effected within 90 days.

28.03.2016: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

(ii) **3.4.16.2 DP No. 90 Director Admn/Finance WASA GDA, Gujranwala**

(iii) **3.4.16.3 DP No. 89 Director Administration and Finance, WASA GDA, Gujranwala**

26.11.2014: The Department explained that partial recovery had been recovered from the defaulters and strenuous efforts were being made for balance recovery of water/sewerage charges.

The amount of paras was reduced to the extent of recovery verified by Audit and the above paras were kept pending with the directions/recommendations that complete recovery should be effected within 90 days.

28.03.2016: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The **paras were kept pending** with the directions/recommendations that remedial measures should be taken by the PAO to expedite recovery of such outstanding dues and total outstanding amount should be recovered by December 2016.

17. Para No.3.4.17 Page 162 of Audit Report for the year 2011-12, Overpayment due to non-reduction in rate of bitumen – Rs.12.298 million

DP No. 126 Director Avenue-I UD-Wing LDA, Lahore

27.11.2014: The Department explained that outstanding amount had been recovered from the contractor which had been produced to Audit for verification.

Audit contended that recovery of Rs.9,000/- was still outstanding.

The Department assured that balance amount would also be recovered at the time of finalization of accounts.

The para was kept pending for recovery of outstanding dues and verification of relevant record by Audit within 30 days.

29.03.2016: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

18. Para No.3.4.18 Pages 163 & 164 of Audit Report for the year 2011-12, Non-recovery of compensation charges due to non-completion of work – Rs.10.969 million

(i) **3.4.18.1 DP No. 142 Director Construction-II, WASA, FDA, Faisalabad**

27.05.2015: The Department apprised that initially recovery was imposed on the contractor but he filed an appeal before the next higher authority which was accepted and recovery was waived off. It was further contended that an inquiry was conducted to thrash out the matter whereby it was concluded that time extension without penalty was granted to the contractor by the competent authority and no recovery was required in the matter.

The Committee directed/recommended that a reference along with probe report should be referred to the Finance Department to ascertain whether recovery pointed out by Audit was justified and whether DG, FDA was competent to waive off the penalty.

It was further directed that Finance Department should decide the matter within 15 days and further action should be taken accordingly.

The para was kept pending.

28.03.2016: The Department explained that reference regarding competency of Director General to waive off the penalty had been referred to Finance Department for seeking clarification.

The **para was kept pending** with the directions/recommendations that relevant rules in support of departmental contention should be produced to Finance Department at the earliest, for seeking requisite advice.

(ii) **3.4.18.2 DP No. 155 Director Construction-I, WASA, FDA, Faisalabad**

27.05.2015: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above para was settled.**

19. Para No.3.4.19 Pages 164 & 165 of Audit Report for the year 2011-12, Non-receipt of income tax from bidders – Rs.10.077 million

(i) **3.4.19.1 DP No. 286 Director Estate Management, UD-Wing, LDA, Lahore**

27.11.2014: The Department explained that total outstanding amount as per reconciliation with Audit, had been recovered which had also been got verified.

The Committee settled the para with the directions/recommendations that warnings be issued to the officers/officials, responsible for the lapse.

29.03.2016: The Department explained that total recovery of income tax had been effected and deposited into Government treasury and warnings to the responsible could

not be issued because Mr. Javaid Niazi, the then Deputy Director (S&A) had retired from service while Mr. Afzal Bhatti had been dismissed.

Audit contended that responsibility should be fixed according to the incumbency statement provided by the Department at the time of Audit Inspection.

The Committee desired that matter regarding the incumbency be reconciled with Audit and accordingly warnings be issued to the responsible officers/officials.

The **para was conditionally settled** subject to above directions/recommendations.

(ii) 3.4.19.2 DP No. 272 Director O&M (West), WASA, FDA, Faisalabad

27.05.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

The Committee settled the above para with the directions/recommendations that warnings be issued to incumbents responsible for delay in recovery of outstanding dues.

28.03.2016: The Department explained that outstanding dues had already been recovered and warnings had also been issued to the incumbents and relevant record had been got verified by Audit.

On the recommendations of Audit, **the above para was settled.**

20. Para No.3.4.20 Pages 165 & 166 of Audit Report for the year 2011-12, Non-recovery of additional price of plots – Rs.9.348 million

DP No. 265 Director Estate Management, MDA, Multan

26.11.2014: The Department explained that an amount of Rs.5.912 million had been recovered and efforts were being made for balance recovery.

The amount of para was reduced to the extent of recovery verified by Audit and the para was kept pending with the directions that balance amount should also be recovered within 30 days. The Committee also expressed its displeasure on absence of concerned Director General without any intimation.

28.03.2016: The Department explained that notices had issued to the allottees for recovery of outstanding dues and extension had been granted by the authority till 31.12.2016. As such, complete recovery would be effected within the stipulated time.

The **para was kept pending** with the directions that no further extension should be granted for recovery of outstanding dues.

21. Para No.3.4.21 Pages 166 to 168 of Audit Report for the year 2011-12, Loss due to allowing higher rate to contractor – Rs.7.573 million

(i) 3.4.21.1 DP No. 46 Director Development Avenue-I, LDA, Lahore

Report of PAC-II (2011-12)

27.11.2014: The Department explained that award of work to the contractor at 49.49% above CSR had been approved by the Chief Minister Punjab.

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

(ii) **3.4.21.2 DP No. 64 Executive Engineer, Public Health Engineering Division Vehari**

27.11.2014: The Department explained that a probe was conducted into the matter whereby it was concluded that no recovery was admissible and Audit observation was based on misunderstanding.

The **para was conditionally settled** subject to verification of requisite record by Audit.

22. Para No.3.4.22 Pages 168 & 169 of Audit Report for the year 2011-12, Loss to Govt. in the award of work due to accepting percentage above – Rs.5.449 million

DP No. 194 Executive Engineer, PHE Division Mianwali

28.11.2014: The Department explained that tenders for the project were called through wide publicity in newspapers by splitting the work in 3 groups with due approval of the competent authority. However, no firm participated in the tender for Group I & III and tenders were re-invited and the work was awarded to the lowest bidders.

Audit contended that tenders were published on 25.3.2011 and received on 26.3.2011, as such financial rules were violated by not giving prescribed time for submission of tenders.

The Committee directed/recommended that requisite record be got verified by Audit whether financial rules were followed failing which inquiry should be conducted by the PAO.

The para was kept pending.

28.03.2016: The Department explained that work was split up in 3 groups with due approval of the competent authority and no violation of financial rules was committed.

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

23. Para No.3.4.23 Pages 169 & 170 of Audit Report for the year 2011-12, Overpayment due to payment of inadmissible carriage – Rs.5.339 million

DP No. 130 Director Avenue-I, UD-Wing LDA, Lahore

27.11.2014: The Department explained that outstanding amount had been recovered which had been got verified by Audit.

Audit contended that recovery had been effected from the security deposit of the contractor and verification of final bill was required in above cases.

The Committee conditionally settled the above para subject to verification of final bill by Audit and directed/recommended that warnings be issued to the officers/officials responsible for non-recovery of outstanding dues timely.

29.03.2016: The Department explained that total outstanding dues had been recovered which could be verified by Audit and warnings had also been issued to the incumbents. However, agreement/final bill had been burnt in fire incident of LDA Plaza.

The Committee directed/recommended that supporting record such as bank transactions and MBs should be produced to Audit for verification within 15 days. However, it should not be quoted as precedent in future.

The **para was conditionally settled** subject to above directions/recommendations.

24. Para No.3.4.24 Pages 170 to 172 of Audit Report for the year 2011-12, Overpayment due to allowing price variation on water supply works for labour & diesel – Rs.5.201 million

(i) 3.4.24.1 DP No. 186 Executive Engineer, PHE Division Kasur

28.11.2014: The Department explained that outstanding amount on account of price variation had been recovered from the contractor which could be verified by Audit.

The Committee directed/recommended that warning be issued to the officers responsible for the lapse.

The **para was conditionally settled** subject to above directions.

(ii) 3.4.24.2 DP No. 180 Executive Engineer, PHE Division Muzaffgarh

27.11.2014: The Department explained that an amount of Rs.269,601/- had been recovered from the security deposit of the contractors while balance recovery pointed out by Audit was not justified and matter had been referred to Technical Advisory Committee for clarification.

The Committee directed/recommended that matter should be reconciled with Audit.

The **para was conditionally settled** subject to recovery of total reconciled amount and its verification by Audit.

(iii) 3.4.24.3 DP No. 246 Executive Engineer, Public Health Engineering Division, Sargodha

(iv) 3.4.24.4 DP No. 218 Executive Engineer, PHE Division Khushab

Report of PAC-II (2011-12)

28.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for overpayment and action should be taken against the concerned officers/officials. The Committee further recommended that performance audit of all mega projects should be conducted and reports be submitted to the PAC at the earliest.

The above paras were conditionally settled subject to above directions.

25. Para No.3.4.25 Pages 172 & 173 of Audit Report for the year 2011-12, Loss due to stoppage of billing to the consumers – Rs.5.014 million

DP No. 164 Director Revenue & Recovery, WASA (FDA), Faisalabad

27.05.2015: The Department explained that partial recovery had been effected while efforts were being made for balance recovery from various government agencies/departments.

The amount of para was reduced to the extent of recovery verified by Audit with the directions/recommendations that matter should be taken up with concerned Principal Accounting Officers and notices for disconnection should be issued to the defaulters excluding the hospitals.

The para was kept pending.

28.03.2016: The Department explained that partial recovery had been effected while balance amount was outstanding against various government departments.

The para was kept pending with the directions/recommendations that reference be moved to the Finance Department for at source deduction of outstanding dues from the concerned Departments.

26. Para No.3.4.26 Pages 173 & 174 of Audit Report for the year 2011-12, Loss due to theft of POL – Rs.4.908 million

DP No. 134 Director Administration, LDA UD-Wing Lahore

27.11.2014: The Department explained that case on account of misappropriation of POL had been referred to Anti-Corruption Establishment while the departmental proceedings were delayed due to fire incident at LDA Plaza, Lahore. The Department assured that de-novo inquiry would be completed within 60 days.

The para was kept pending for completion of departmental proceedings within stipulated time i.e. 60 days.

29.03.2016: The Department explained that in compliance with the directions of PAC, an inquiry had been conducted into the matter and responsibility had been fixed. Accordingly, disciplinary proceedings under PEEDA act had also been initiated against the accused officers/officials. It was added that record regarding utilization/actual operations was not available.

On a query of the Committee, the Department contended that exact amount of loss could not be established.

The Committee observed that concerned Director (Enforcement) was also responsible for the negligence/loss and expressed its displeasure on statement of the concerned Inquiry Officer in the meeting.

The Department requested that an opportunity be granted to re-examine the case afresh.

The Committee acceded to the request of the Department and directed/recommended that a comprehensive report should be submitted to the PAC within 15 days with proper justifications failing which recovery be imposed on the responsible officers/officials.

The para was kept pending.

27. Para No.3.4.27 Pages 174 & 175 of Audit Report for the year 2011-12, Irregular payment due to non-preparation of analysis of rates – Rs.4.896 million

DP No. 158 Director Construction-I, WASA, FDA, Faisalabad

27.05.2015: The Department explained that as per decision of SDAC dated 29.12.2011, a probe was conducted to thrash out the matter whereby it was concluded that no irregularity was committed in the subject case.

Audit contended that departmental contention was not justified because rate analysis was required to be approved with technically sanctioned estimate by incorporating the MRS/input rates of respective quarters.

The Committee directed/recommended that probe report should be got vetted by the Technical Wing, Finance Department within 30 days.

The para was kept pending.

28.03.2016: The Department explained that as per previous directions of PAC, requisite probe report had been forwarded to the Finance Department and clarification thereon was still awaited.

Report of PAC-II (2011-12)

The **para was kept pending** with the directions/recommendations that Finance Department should probe into the matter to fix responsibility for delay and report be submitted to the PAC within 30 days.

28. Para No.3.4.28 Pages 175 & 176 of Audit Report for the year 2011-12, Non-recovery of charges on account of demolition of illegal building structure – Rs.4.386 million

(i) **3.4.28.1 DP No. 75 Director EME, Urban Development Wing, LDA Lahore**

27.11.2014: The Department explained that efforts were being made for recovery of outstanding dues from owners of the concerned buildings and partial recovery had been effected.

The Committee reduced the para to the extent of recovery verified by Audit with the directions that balance recovery be pursued vigorously.

The para was kept pending.

29.03.2016: The Department explained that the subject para was duplication of DP. No.3.4.28.2 of the same report.

The Committee accordingly decided **to delete the para.**

(ii) **3.4.28.2 DP No. 74 Director EME, Urban Development Wing, LDA Lahore**

27.11.2014: The Department explained that efforts were being made for recovery of outstanding dues from owners of the concerned buildings and partial recovery had been effected.

The Committee reduced the para to the extent of recovery verified by Audit with the directions that balance recovery be pursued vigorously.

The para was kept pending.

29.03.2016: The Department explained that notices had been served to the encroachers who had constructed houses there with all the basic utilities. Now, it was difficult to dislocate the population residing there due to law and order issues.

The Committee expressed its displeasure on the lapse and observed that due to the weak and ineffective supervisory control/mechanism, valuable state land was encroached and directed/recommended that responsibility be fixed for this lapse and disciplinary action be taken against the concerned officers/officials and recovery be imposed accordingly.

The **para was kept pending.**

29. Para No.3.4.29 Pages 176 & 177 of Audit Report for the year 2011-12, Unjustified payment by issuing administrative approvals repeatedly on same work/building – Rs.4.105 million

DP No. 122 Director EME, Urban Development Wing, LDA Lahore

27.11.2014: The Department explained that efforts were being made for recovery of outstanding dues from owners of the concerned buildings and partial recovery had been effected.

The Committee reduced the para to the extent of recovery verified by Audit with the directions that balance recovery be pursued vigorously.

The para was kept pending.

29.03.2016: The Department explained that efforts were being made for recovery of outstanding dues from the owners of the concerned buildings/plazas and partial recovery had been effected. In this regard, all the relevant record was also available for verification by Audit.

The Committee **kept the para pending** with the directions/recommendations that record be produced to Audit for verification and balance recovery be pursued vigorously.

30. Para No.3.4.30 Pages 177 & 178 of Audit Report for the year 2011-12, Less recovery of rent and additional surcharge – Rs.3.684 million

DP No. 37 Director Water Resources, WASA, FDA, Faisalabad

27.05.2015: The Department explained that total outstanding amount had been recovered from the Cellular Phone Service Providers on account of communication installations on over-head water reservoirs and the same had been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that timely recovery of rent must be ensured and penalty clause should be incorporated in agreement on account of delay in payments.

31. Para No.3.4.31 Pages 178 & 179 of Audit Report for the year 2011-12, Loss due to undue payment to the contractor – Rs.3.485 million

DP No. 123 Director EME, Urban Development Wing, LDA Lahore

27.11.2014: The Department explained that light arrangements at sites of demolition were made with approval of the competent authority and efforts were being made for recovery of outstanding dues from owners of the concerned buildings.

Report of PAC-II (2011-12)

The **para was kept pending** for recovery of outstanding dues with the directions that contract agreement should be produced to Audit for verification.

29.03.2016: The Department explained that subject para was duplication of DP. No. 3.4.29 of the same report.

The Committee accordingly decided **to delete the para.**

32. Para No.3.4.32 Pages 179 & 180 of Audit Report for the year 2011-12, Undue financial benefit of secured advance on the basis of incorrect assessed value – Rs.3.335 million

DP No. 195 Executive Engineer, PHE Division Mianwali

28.11.2014: The Department explained that rate assessed by the Department was justified in the light MRS as well as market rate and all the codal formalities were fulfilled as per clause 45 of the agreement.

The Committee accepted the explanation of the Department and **settled the para.**

33. Para No.3.4.33 Pages 180 & 181 of Audit Report for the year 2011-12, Excess payment due to allowing use of bitumen in tack coat beyond the approved limit – Rs.2.830 million

DP No. 107 Director ADS-I UD-Wing LDA, Lahore

27.11.2014: The Department explained that 15 lbs bitumen per hundred sft was required for providing the tack coat on existing surface of the road as per approved specifications and the same was permissible as per rules.

The Committee conditionally settled the para subject to verification of relevant rules by Audit, in support of departmental contention.

29.03.2016: The Department explained that 15 lbs bitumen @100 square feet was required for providing the tack coat on the existing surface of road as per approved specifications and record in support of departmental contention was available for verification by Audit.

The **para was conditionally settled** subject to verification of requisite record.

34. Para No.3.4.34 Pages 181 to 187 of Audit Report for the year 2011-12, Overpayment due to incorrect application of rate – Rs.2.552 million

- (i) 3.4.34.1 DP No. 226 Executive Engineer, Public Health Engineering Division Gujrat
- (ii) 3.4.34.3 DP No. 184 Executive Engineer, PHE Division Kasur
- (iii) 3.4.34.6 DP No. 61 Executive Engineer, Public Health Engineering Division Rawalpindi
- (iv) 3.4.34.9 DP No. 193 Executive Engineer, PHE Division Mianwali

28.11.2014: The Department explained that bore drilling of 20" to 26" was provided in the estimate as per requirement and payment was made accordingly.

Audit contended that aforesaid specifications were not admissible in view of instructions of the Finance Department.

The **paras were kept pending** with the directions that a clarification in the matter be sought from the Finance Department.

- (v) 3.4.34.2 DP No. 187 Executive Engineer, PHE Division Toba Tek Singh
- (vi) 3.4.34.4 DP No. 56 Project Engineer, PMU/PHE Division Rajanpur
- (vii) 3.4.34.7 DP No. 25 Executive Engineer, Project Manager Unit (PHE Division) Bahawalpur
- (viii) 3.4.34.8 DP No. 67 Executive Engineer, Public Health Engineering Division Muzaffargarh

27.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit. It was added that instructions of Finance Department were not justified and as such, recovery was also unwarranted. Therefore, matter was being referred to the Finance Department for seeking advice

The **paras were kept pending** till decision of the Finance Department with the directions/recommendations that if recovery was not justified as per rules, the same should be returned.

- (ix) 3.4.34.5 DP No. 24 Director Engineering, WASA GDA, Gujranwala

26.11.2014: The Department explained that the bar of 15" to 18 dia boring for tubewell, imposed by the Finance Department was not practicable and it was therefore reviewed later. As such, no overpayment was involved.

The Committee directed/recommended that expenditure be got regularized by the Finance Department within 30 days.

The para was kept pending.

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28.03.2016: The Department explained that case for seeking regularization had been referred to the Finance Department and decision thereon was still awaited.

The **para was kept pending** with the directions/recommendations that Finance Department should probe into the matter to fix responsibility for delay and report thereon be submitted to the PAC within 30 days

35. Para No.3.4.35 Pages 187 to 190 of Audit Report for the year 2011-12, Non-recovery on account of violation of building plan – Rs.2.471 million

- (i) 3.4.35.1 DP No. 22 Director Town Planning, Urban Development Wing, FDA Faisalabad
- (ii) 3.4.35.2 DP No. 174 Director Metropolitan Planning and Traffic Engineering Rawalpindi Development Authority, Rawalpindi
- (iii) 3.4.35.4 DP No. 176 Director Metropolitan Planning and Traffic Engineering Rawalpindi Development Authority, Rawalpindi
- (iv) 3.4.35.5 DP No. 177 Director Metropolitan Planning and Traffic Engineering Rawalpindi Development Authority, Rawalpindi

26.11.2014: The Department explained that total outstanding amount had been recovered in above cases which had also been got verified by Audit.

On the recommendation of Audit, **the above paras were settled.**

- (v) 3.4.35.3 DP No. 178 Director Estate Management, Rawalpindi Development Authority, Rawalpindi

26.11.2014: The Department explained that partial recovery had been effected and efforts were being made for balance recovery.

The para was reduced to the extent of recovery verified by Audit with the directions that balance recoverable amount be reconciled with Audit.

The para was kept pending.

28.03.2016: The Department explained that partial recovery had been effected while efforts were being made for balance recovery. However, the pace of recovery was slow due to non-availability of the Magistrate.

The Committee expressed its displeasure on non-recovery of outstanding dues since long and directed/recommended that outstanding dues should be recovered within 30 days failing which recovery should be imposed on the concerned Chief Engineer.

The **para was kept pending.**

36. Para No.3.4.36 Pages 190 & 191 of Audit Report for the year 2011-12, Overpayment due to application of incorrect rate – Rs.2.422 million

DP No. 125 Director Avenue-I, UD-Wing LDA, Lahore

27.11.2014: The Department explained that outstanding amount had been recovered which had been got verified by Audit.

Audit contended that recovery had been effected from the security deposit of the contractor and verification of final bill was required in above cases.

The Committee conditionally settled the above para subject to verification of final bill by Audit and directed/recommended that warnings be issued to the officers/officials responsible for non-recovery of outstanding dues timely.

29.03.2016: The Department explained that total outstanding dues had been recovered which could be verified by Audit and warnings had also been issued to the incumbents. However, agreement/final bill had been burnt in fire incident of LDA Plaza.

The Committee directed/recommended that supporting record such as bank transactions and MBs should be produced to Audit for verification within 15 days. However, it should not be quoted as precedent in future.

The **para was conditionally settled** subject to above directions/recommendations.

37. Para No.3.4.37 Page 191 of Audit Report for the year 2011-12, Non-recovery of dismantled material – Rs.2.380 million

DP No. 172 Director Engineering RDA UD Wing Rawalpindi

26.11.2014: The Department explained that actual recoverable amount came to Rs.1,658,205/- which had been recovered and got verified by Audit.

The Committee directed that recoverable amount should be reconciled with Audit.

The para was conditionally settled subject to recovery of reconciled amount and its verification by Audit.

28.03.2016: The Department explained that actual outstanding amount had already been recovered while balance recovery was not due because recovery on account of dismantled steel had been wrongly calculated by Audit.

The Committee expressed its displeasure on non-reconciliation of recoverable amount despite the directions of PAC given in its last meeting and directed/recommended that record should be produced to Audit on the same day.

The **para was kept pending.**

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38. Para No.3.4.38 Pages 192 to 195 of Audit Report for the year 2011-12, Overpayment due to inclusion of extra carriage, loading/unloading, contractor profit & overhead charges – Rs.2.202 million

- (i) **3.4.38.1 DP No. 277 Director Engineering, TEPA LDA, Lahore**
- (ii) **3.4.38.2 DP No. 275 Director Engineering, TEPA LDA, Lahore**

27.05.2015: The Department explained that estimates were prepared by the consultant on the basis of prevailing market rates and administrative approval was accorded accordingly by the Chief Minister Punjab.

Audit contended that concurrence of Finance Department was required in the subject paras.

The paras were kept pending for seeking concurrence from the Finance Department.

29.03.2016: The Department explained that detailed estimates were prepared by the consultant based on prevailing market rates and accordingly administrative approval amounting to Rs. 499.916 million was accorded by the Chief Minister Punjab and a reference along with supporting documents had already been moved to Finance Department for seeking advice which was still awaited.

Audit contended that it was also required to be ascertained whether approval of Chief Minister Punjab had been sought for payments of rates over and above MRS.

The Committee directed/recommended that Finance Department should resolve the matter in co-ordination with Administrative Department by appointing a Special Committee comprising representative each from Technical Wing, Finance Department, TEPA, Audit and Administrative Department and report thereon be submitted to the PAC, within 15 days.

The paras were kept pending.

- (iii) **3.4.38.3 DP No. 43 Director Engineering, Rawalpindi Development Authority, Rawalpindi**

26.11.2014: The Department explained that total outstanding amount had been recovered and also got verified by Audit.

Audit contented that verification of final bill was required in the matter.

The Committee settled the para subject to verification of requisite record by Audit within 15 days with the directions/recommendations that warnings be issued to the officers responsible for overpayment.

28.03.2016: The Department explained that as per directions of PAC, final bill had been produced to Audit for verification and warnings had also been issued to the incumbents which could be verified by Audit.

The **para was conditionally settled** subject to verification of warning letters, by Audit.

(iv) **3.4.38.4 DP No. 124 Director EME, Urban Development Wing LDA, Lahore**

27.11.2014: The Department explained that outstanding amount had been recovered which had been got verified by Audit.

Audit contended that recovery had been effected from the security deposit of the contractor and verification of final bill was required in above cases.

The Committee conditionally settled the above para subject to verification of final bill by Audit and directed/recommended that warnings be issued to the officers/officials responsible for non-recovery of outstanding dues timely.

29.03.2016: The Department explained that total outstanding amount had been recovered and final bill of the contractor had been got verified by Audit. It was added that warnings had also been issued to the concerned employees.

Audit contended that recovery had been effected from security deposit of the contractor which was required to be recouped. Moreover, record regarding issuance of warnings to the concerned employees was also awaited.

The **para was conditionally settled** subject to recoupment of security deposit and verification of requisite record by Audit.

39. Para No.3.4.39 Page 195 of Audit Report for the year 2011-12, Non-recovery of land sub-division fee – Rs.2.110 million

DP No. 256 Director Town Planning, MDA, Multan

26.11.2014: The Department explained that a sum of Rs.1,859,060/- had been recovered and efforts were being made for balance recovery.

The para was kept pending with the directions that complete recovery should be effected by 31.12.2014.

28.03.2016: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

40. Para No.3.4.40 Pages 195 & 196 of Audit Report for the year 2011-12, Undue financial benefit to the contractor due to disproportionate rates – Rs.1.903 million

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DP No. 214 Executive Engineer, PHE Division, Khushab

28.11.2014: The Department explained that no undue benefit was awarded to the contractor and payment was made only on account of actual work done as per agreement. It was added that scheme had been completed within the permissible provisions.

The **para was conditionally settled** subject to verification of requisite record by Audit.

41. Para No.3.4.41 Pages 196 & 197 of Audit Report for the year 2011-12, Undue payment of price variation allowed beyond the stipulated period of completion of work – Rs.1.889 million

DP No. 149 Director Construction-I, WASA, FDA, Faisalabad

27.05.2015: The Department explained that delay in execution of work was un-avoidable due to rainy season and non-availability of funds and therefore, contract period was extended by the competent authority. It was added that work at site had been completed and price variation was rightly paid to the contractor.

Audit contended that undue price variation was paid on bajri used for RCC pipe in violation of rules. The Director (Monitoring) endorsed the contention of Audit adding that price variation on bajri was allowed in case of roads.

The Committee directed/recommended that in view of technical reasons explained in the meeting, a comprehensive reference should be moved to the Finance Department for seeking clarification. It was further directed that Finance Department should decide the matter within 15 days under intimation to the PAC.

The para was kept pending.

28.03.2016: The Department explained that case had already been referred to the Finance Department for seeking clarification.

The Additional Secretary (Monitoring) Finance Department stated that price variation was not allowed in the subject case and requisite advice had been issued vide letter dated 16.3.2016.

The **para was kept pending** with the directions/recommendations that further action should be taken as per advice of the Finance Department.

42. Para No.3.4.42 Pages 197 & 198 of Audit Report for the year 2011-12, Overpayment due to acceptance of tender at higher rates – Rs.1.826 million

DP No. 284 Director Engineering, TEPA, LDA, Lahore

27.05.2015: The Department explained that work of providing and installation of equipment was awarded to the contractor for finished item. As such, no excess payment was involved.

The Committee expressed its displeasure on non-compliance of SDAC decision dated 28.12.2011 and directed/recommended that reference be moved to the Finance Department for seeking advice within 30 days and further action should be taken accordingly.

The para was kept pending.

29.03.2016: The Department explained that detailed estimates were prepared by the consultant based on prevailing market rates and accordingly administrative approval amounting to Rs. 499.916 million was accorded by the Chief Minister Punjab and a reference along with supporting documents had already been moved to Finance Department for seeking advice which was still awaited.

Audit contended that it was also required to be ascertained whether approval of Chief Minister Punjab had been sought for payments of rates over and above MRS.

The Committee directed/recommended that Finance Department should resolve the matter in co-ordination with Administrative Department by appointing a Special Committee comprising representative each from Technical Wing, Finance Department, TEPA, Audit and Administrative Department and report thereon be submitted to the PAC, within 15 days.

The para was kept pending.

43. Para No.3.4.43 Pages 198 & 199 of Audit Report for the year 2011-12, Overpayment of custom duty – Rs.1.706 million

DP No. 40 Director Engineering, RDA Rawalpindi

26.11.2014: The Department explained that custom duty on items of solar energy panels etc was actually paid by the contractor as per invoices provided by him. As such, payment was made in view of documentary evidences.

Audit contented that financial/PEPRA rules had not been observed in the matter.

The Committee directed/recommended that matter be submitted to the Finance Department alongwith all the relevant record and the Finance Department should thrash out the matter minutely to ascertain whether any irregularity was committed in procurement of items in question.

The para was kept pending for submission of report by the Finance Department within 30 days.

28.03.2016: The Department explained that concerned firm had been directed to furnish the requisite documents from Karachi Port but due to delay on the part of the contractor, the case for seeking advice could not be referred to the Finance Department.

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Audit and Finance Department opined that items used for solar energy were exempted from custom duty.

The Committee endorsed the above contention and directed/recommended that outstanding dues should be recovered from the contractor, at the earliest.

The para was kept pending.

44. Para No.3.4.44 Pages 199 & 200 of Audit Report for the year 2011-12, Overpayment due to sanction of rate excess than provided in MRS – Rs.1.686 million

DP No. 283 Director Engineering, TEPA, LDA, Lahore

27.05.2015: The Department explained that estimates were prepared by the consultant on the basis of prevailing market rates and administrative approval was accorded accordingly by the Chief Minister Punjab.

Audit contended that concurrence of Finance Department was required in the subject paras.

The para was kept pending for seeking concurrence from the Finance Department.

29.03.2016: The Department explained that detailed estimates were prepared by the consultant based on prevailing market rates and accordingly administrative approval amounting to Rs. 499.916 million was accorded by the Chief Minister Punjab and a reference along with supporting documents had already been moved to Finance Department for seeking advice which was still awaited.

Audit contended that it was also required to be ascertained whether approval of Chief Minister Punjab had been sought for payments of rates over and above MRS.

The Committee directed/recommended that Finance Department should resolve the matter in co-ordination with Administrative Department by appointing a Special Committee comprising representative each from Technical Wing, Finance Department, TEPA, Audit and Administrative Department and report thereon be submitted to the PAC, within 15 days.

The para was kept pending.

45. Para No.3.4.45 Pages 200 & 201 of Audit Report for the year 2011-12, Overpayment due to application of incorrect base rate – Rs.1.509 million

DP No. 273 Director Engineering, TEPA, LDA, Lahore

27.05.2015: The Department contended that recovery pointed out by Audit was not justified.

The Committee expressed its displeasure on non-compliance of SDAC decision dated 28.12.2011 and directed/recommended that reference be moved to the Finance Department for seeking advice within 30 days and further action should be taken accordingly.

The para was kept pending.

29.03.2016: The Department explained that detailed estimates were prepared by the consultant based on prevailing market rates and accordingly administrative approval amounting to Rs. 499.916 million was accorded by the Chief Minister Punjab and a reference along with supporting documents had already been moved to Finance Department for seeking advice which was still awaited.

Audit contended that it was also required to be ascertained whether approval of Chief Minister Punjab had been sought for payments of rates over and above MRS.

The Committee directed/recommended that Finance Department should resolve the matter in co-ordination with Administrative Department by appointing a Special Committee comprising representative each from Technical Wing, Finance Department, TEPA, Audit and Administrative Department and report thereon be submitted to the PAC, within 15 days.

The para was kept pending.

46. Para No.3.4.46 Pages 201 to 203 of Audit Report for the year 2011-12, Loss to the Authority due to theft of material – Rs.1.500 million

(i) 3.4.46.1 DP No. 127 Director Estate Management LDA Avenue-I Housing Scheme, Lahore

27.11.2014: The Department explained that an FIR had been lodged against the unknown culprits while departmental inquiry was under process.

The para was kept pending with the directions that inquiry proceedings should be completed within 30 days under intimation to the PAC.

29.03.2016: The Department explained that a departmental inquiry was being conducted into the matter to thrash out the reasons for theft which would be finalized at the earliest and FIR had been lodged against the unknown culprits.

The para was kept pending with the directions/recommendations that departmental action should be completed at the earliest and if untraceable, write off sanction for the loss be sought from the competent authority.

(ii) 3.4.46.2 DP No. 152 Directorate of Construction-I, WASA, FDA, Faisalabad

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27.05.2015: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above para was settled.**

47. Para No.3.4.47 Page 203 of Audit Report for the year 2011-12, Overpayment due to application of incorrect rate – Rs.1.451 million

DP No. 86 Director Engineering WASA GDA, Gujranwala

26.11.2014: The Department explained that analysis of crushed stone had been approved by the competent authority and correctly adopted in the estimate. It was added that rate applied by the Department was on the lower side and no excess payment was involved in the matter.

Audit contended that the Department was required to comply with the decision of SDAC dated 29.12.2011.

The para was kept pending with the directions that a clarification be sought in the matter from Technical Wing, Finance Department keeping in view the Audit objection.

28.03.2016: The Department explained that case for seeking clarification had been referred to the Finance Department which was still awaited.

The **para was kept pending** with the directions/recommendations that Finance Department should probe into the matter to fix responsibility for delay and report thereon be submitted to the PAC within 30 days

48. Para No.3.4.48 Page 204 of Audit Report for the year 2011-12, Less recovery on account of sewer/drainage connection fee – Rs.1.343 million

DP No. 20 Director Revenue & Recovery, WASA, FDA, Faisalabad

27.05.2015: The Department explained that an inquiry was conducted to thrash out the matter of application of wrong rate for sewerage/draining connection fee. However, the competent authority was not satisfied with the findings and a denove inquiry had been ordered to fix responsibility for the lapse. Meanwhile, total outstanding amount had been recovered in case of 159 connections and recovery was being effected on account of remaining 397 connections.

The Committee reduced the amount of para to the extent of recovery verified by Audit with the directions/recommendations that balance recovery should be effected within 90 days.

The para was kept pending.

28.03.2016: The Department explained that partial recovery had been effected while efforts were being made for balance recovery. It was assured that balance amount would be recovered within six months.

The amount of para was reduced to the extent of recovery verified by Audit and the para was kept pending for balance recovery.

49. Para No.3.4.49 Pages 204 & 205 of Audit Report for the year 2011-12, Irregular payment of project allowance – Rs.1.314 million

DP No. 100 Director Finance, UD-Wing LDA, Lahore

27.11.2014: The Department explained that Project Management Unit was established vide order dated 1.10.2010 and payment of project allowance was made to the concerned employees. However, the Authority did not approve the establishment of said unit. It was added that matter regarding allowance, already paid, would be re-submitted to the Authority for further orders.

The Committee was of the view that irregular payment ought to be recovered in principal. However, the request of the Department to defer the matter till decision of the Authority was approved and the para was kept pending.

29.03.2016: The Department explained that in compliance with previous directives of PAC the expenditure had been got regularized by the competent authority.

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

50. Para No.3.4.50 Pages 205 & 206 of Audit Report for the year 2011-12, Non-recovery of rent – Rs.1.203 million

DP No. 258 Director Estate and Land Management, MDA, Multan

26.11.2014: The Department explained that total outstanding amount had been recovered in above cases which had also been got verified by Audit.

On the recommendation of Audit, **the above para was settled.**

51. Para No.3.4.51 Pages 206 & 207 of Audit Report for the year 2011-12, Non-auction of unserviceable material – Rs.1.173 million

(i) 3.4.51.1 DP No. 76 Director Administration/Finance UD Wing, GDA, Gujranwala

26.11.2014: The Department explained that value of unserviceable vehicles was assessed by a Committee which was worked out to the tune of Rs.248,500/- and thereafter auction was conducted after observing all the codal formalities and much higher rates were approved as compared to assessed value. Similarly, old material was also auctioned at compatible rates.

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The Committee accepted the explanation of the Department and **settled the para** with the directions/recommendations that unserviceable machinery/vehicles should be timely auctioned across the Department.

(ii) 3.4.51.2 DP No. 21 Director Water Resources, WASA, FDA, Faisalabad

27.05.2015: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above para was settled.**

52. Para No.3.4.52 Pages 207 & 208 of Audit Report for the year 2011-12, Overpayment due to violation of JMF – Rs.0.998 million

DP No. 71 Director Avenue-I UD-Wing LDA, Lahore

27.11.2014: The Department explained that outstanding amount had been recovered which had been got verified by Audit.

Audit contended that recovery had been effected from the security deposit of the contractor and final bill was required for verification.

The Committee conditionally settled the above para subject to verification of final bills by Audit.

29.03.2016: The Department explained that total outstanding amount involved in the subject paras had been recovered which could be verified by Audit. However, main agreement/final bill/record had been burnt in fire incident of LDA Plaza.

The **para was conditionally settled** subject to verification of supporting record by Audit with the note that it should not be quoted as precedent in future.

53. Para No.3.4.53 Pages 208 to 211 of Audit Report for the year 2011-12, Non-recovery of flood surcharge – Rs.0.977 million

(i) 3.4.53.1 DP No. 192 Executive Engineer, PHE Division Mianwali

(ii) 3.4.53.3 DP No. 216 Executive Engineer, PHE Division Khushab

28.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the paras were settled.**

(iii) 3.4.53.2 DP No. 213 Executive Engineer, PHE Division Bahawalnagar

27.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The **para was settled** with the directions/recommendations that warnings be issued to the incumbents.

(iv) **3.4.53.4 DP No. 323 Director Traffic Engineering, TEPA, Lahore**

27.05.2015: The Department explained that total outstanding dues had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of relevant record by Audit.

29.03.2016: The Department explained that efforts were being made for recovery of outstanding dues which would be adjusted from the final bill of the contractor.

The **para was kept pending** with the directions/recommendations that recovery should be effected at the earliest and warnings be issued to the incumbents.

(v) **3.4.53.5 DP No. 140 Director Construction-II, WASA, FDA, Faisalabad**

27.05.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

The Committee settled the above para with the directions/recommendations that warnings be issued to incumbents responsible for delay in recovery of outstanding dues.

28.03.2016: The Department explained that outstanding dues had already been recovered and warnings had also been issued to the incumbents and relevant record had been got verified by Audit.

On the recommendations of Audit, **the above para was settled.**

54. Para No.3.4.54 Pages 211 & 212 of Audit Report for the year 2011-12, Non-recovery of aquifer and sewerage charges – Rs.0.990 million

DP No. 267 Director Revenue & Recovery, WASA, FDA, Faisalabad

27.05.2015: The Department explained that a sum of Rs.300,000/- had been recovered while efforts were being made for balance recovery through District Collector as arrears of land revenue.

The Committee reduced the amount of para to the extent of recovery verified by Audit with the directions that case for balance recovery should be pursued vigorously.

The para was kept pending.

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28.03.2016: The Department explained that 27 cases of recovery under the land revenue act were involved in the subject para and efforts were being made for recovery of outstanding dues.

The **para was kept pending** with the directions/recommendations that complete recovery should be effected within six months.

55. Para No.3.4.55 Pages 212 & 213 of Audit Report for the year 2011-12, Irregular grant and adjustment of advance TA/DA – Rs.0.950 million

DP No. 132 Director Finance, UD-Wing LDA, Lahore

27.11.2014: The Department explained that Mr.Socrat Amman Rana, Ex. Director was authorized by the then DG, LDA to accompany him to the conference in Jordan. However, it was admitted that since the said officer was on deputation, the matter would be referred to the S&GAD for Ex-post facto sanction. It was further contended that concerned officer had been directed to submit vouched accounts failing which notice would be issued to him.

The para was kept pending with the directions/recommendations that matter be pursued vigorously and in case of failure to submit the vouched account within 30 days, recovery notice should be issued to the concerned officer.

29.03.2016: The Department explained that total outstanding amount involved in the subject paras had been recovered which could be verified by Audit. However, main agreement/final bill/record had been burnt in fire incident of LDA Plaza.

The **para was conditionally settled** subject to verification of supporting record by Audit with the note that it should not be quoted as precedent in future.

56. Para No.3.4.56 Pages 214 & 215 of Audit Report for the year 2011-12, Non-recovery of sewerage and drainage charges – Rs.0.850 million

- (i) **3.4.56.1 DP No. 19 Director Revenue & Recovery, WASA, FDA, Faisalabad**
- (ii) **3.4.56.2 DP No. 163 Director Revenue & Recovery, WASA, FDA, Faisalabad**

27.05.2015: The Department explained that necessary action in respect of above paras had already been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

57. Para No.3.4.57 Pages 215 & 216 of Audit Report for the year 2011-12, Overpayment due to higher rate – Rs.0.633 million

DP No. 148 Director Construction-I, WASA, FDA, Faisalabad

27.05.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that such lapses should be strictly avoided in future and warnings be issued to the incumbents responsible for overpayment.

58. Para No.3.4.58 Page 216 of Audit Report for the year 2011-12, Non-recovery of cost of excess area of plots – Rs.0.531 million

DP No. 99 Director, Admn & Finance, WASA-MDA, Multan

26.11.2014: The Department explained that a sum of Rs.267,300/- had been recovered while efforts were being made for balance recovery. It was added that complete recovery would be effected within 30 days.

The para was reduced to the extent of recovery verified by Audit and its remaining portion was kept pending for recovery of outstanding dues.

28.03.2016: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

59. Para No.3.4.59 Pages 216 & 217 of Audit Report for the year 2011-12, Non-recovery of lease money and surcharge – Rs.0.375 million

DP No. 253 Director, Admn & Finance, WASA (MDA), Multan

26.11.2014: The Department explained that total outstanding amount had been recovered in above case which had also been got verified by Audit.

On the recommendation of Audit, **the above para was settled.**

60. Para No.3.4.60 Pages 217 & 218 of Audit Report for the year 2011-12, Overpayment due to incorrect application of rate – Rs.0.367 million

DP No. 183 Executive Engineer, PHE Division Kasur

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28.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

Audit contended that final bill was required for verification.

The **para was conditionally settled** subject to verification of requisite record by Audit.

- 61. Para No.3.4.61 Pages 218 & 219 of Audit Report for the year 2011-12, Unjustified payment due to allowing transportation without provision in TS estimate/agreement – Rs.0.334 million**
-

DP No. 208 Executive Engineer, PHE Division Bahawalnagar

27.11.2014: The Department explained that additional items of work had been covered in revised technical sanction and payment was made within the approved provisions.

The Committee **settled the para** subject to verification of revised estimate covering the alleged items of work, duly approved by the competent authority.

- 62. Para No.3.4.62 Pages 219 & 220 of Audit Report for the year 2011-12, Overpayment due to application of incorrect rates – Rs.0.335 million**
-

DP No. 128 Director Avenue-I UD-Wing LDA, Lahore

- 63. Para No.3.4.63 Pages 220 & 221 of Audit Report for the year 2011-12, Overpayment on account of pre-shipment inspection charges – Rs.0.300 million**
-

DP No. 45 Director Electrical and Mechanical Engineering, LDA, Lahore

27.11.2014: The Department explained that outstanding amount had been recovered which had been got verified by Audit.

Audit contended that recovery had been effected from the security deposit of the contractor and final bill was required for verification.

The Committee conditionally settled the above paras subject to verification of final bills by Audit.

29.03.2016: The Department explained that total outstanding amount involved in the subject paras had been recovered which could be verified by Audit. However, main agreement/final bill/record had been burnt in fire incident of LDA Plaza.

The **paras were conditionally settled** subject to verification of supporting record by Audit with the note that it should not be quoted as precedent in future.

- 64. Para No.3.4.64 Pages 221 & 222 of Audit Report for the year 2011-12, Overpayment due to clearance of surplus earth/material from site – Rs.0.260 million**
-

DP No. 185 Executive Engineer, PHE Division Kasur

28.11.2014: The Department explained that outstanding amount of Rs.153,215/- had been recovered from the contractor which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

- 65. Para No.3.4.65 Pages 222 & 223 of Audit Report for the year 2011-12, Overpayment due to application of higher rate – Rs.0.228 million**
-

DP No. 8 Project Engineer, PMU Chakwal

- 66. Para No.3.4.66 Page 223 of Audit Report for the year 2011-12, Overpayment due to excessive measurement – Rs.0.212 million**
-

DP No. 58 Executive Engineer, PHE Division Chakwal

28.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the paras were settled.**

- 67. Para No.3.4.67 Page 224 of Audit Report for the year 2011-12, Excess payment due to incorrect provision of rate – Rs.0.208 million**
-

DP No. 325 Director Traffic Engineering, TEPA, Lahore

27.05.2015: The Department stated that in compliance with directions of the SDAC, a probe was conducted into the matter whereby it was concluded that Raiwind Road (Sher Shah Junction) was very populated area and no dumping site was available in the vicinity. Therefore, lead was approved by the competent authority and payment was made accordingly.

The para was kept pending with the directions/recommendations that a clarification in the matter be sought from the Technical Wing, Finance Department within 30 days.

29.03.2016: The Department explained that efforts were being made for recovery of outstanding dues which would be adjusted from the final bill of the contractor.

The **para was kept pending** with the directions/recommendations that recovery should be effected at the earliest and warnings be issued to the incumbents.

68. Para No.3.4.68 Page 225 of Audit Report for the year 2011-12, Undue benefit to the contractor due to payment of imbalanced rates– Rs.0.198 million

DP No. 101 Director ADS-I UD-Wing LDA, Lahore

27.11.2014: The Department explained that payment had been made to the contractor as per rates quoted in the acceptance letter which were within the provisions of approved estimate.

Audit contended that final bill was required for verification.

The para was conditionally settled subject to verification of requisite record by Audit.

29.03.2016: The Department explained that total outstanding amount involved in the subject paras had been recovered which could be verified by Audit. However, main agreement/final bill/record had been burnt in fire incident of LDA Plaza.

The **para was conditionally settled** subject to verification of supporting record by Audit with the note that it should not be quoted as precedent in future.

69. Para No.3.4.69 Pages 226 & 227 of Audit Report for the year 2011-12, Less recovery on account of tender sale fee – Rs.0.172 million

- (i) **3.4.69.1 DP No. 205 Project Engineer, Sewerage Sch: R.Y. Khan City**
- (ii) **3.4.69.2 DP No. 198 Executive Engineer, PHE Division Layyah**

27.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the paras were settled.**

70. Para No.3.4.70 Pages 227 & 228 of Audit Report for the year 2011-12, Overpayment due to allowing unnecessary /double carriage – Rs.0.170 million

DP No. 329 Director Engineering Construction, TEPA, Lahore

27.05.2015: The Department explained that kerb stone had to be fixed along 10 kilometer stretch of road. As such, it had to be re-handled and placed in required position. Therefore, carriage was paid for two types of transportation i.e. from factory to the site of project and re-handling to a particular location.

The Committee was not satisfied with explanation of the Department and directed/recommended that matter be referred to the Finance Department for seeking advice under intimation to the PAC within 30 days.

The para was kept pending.

29.03.2016: The Department explained that efforts were being made for recovery of outstanding dues which would be adjusted from the final bill of the contractor.

The **para was kept pending** with the directions/recommendations that recovery should be effected at the earliest and warnings be issued to the incumbents.

71. Para No.3.4.71 Pages 228 & 229 of Audit Report for the year 2011-12, Overpayment due to incorrect calculations of quantities– Rs.0.167 million

DP No. 114 Director ADS-II UD-Wing LDA, Lahore

27.11.2014: The Department explained that outstanding amount had been recovered which had been got verified by Audit.

Audit contended that recovery had been effected from the security deposit of the contractor and final bill was required for verification.

The Committee conditionally settled the above para subject to verification of final bills by Audit.

29.03.2016: The Department explained that total outstanding amount involved in the subject paras had been recovered which could be verified by Audit. However, main agreement/final bill/record had been burnt in fire incident of LDA Plaza.

The **para was conditionally settled** subject to verification of supporting record by Audit with the note that it should not be quoted as precedent in future.

72. Para No.3.4.72 Page 229 of Audit Report for the year 2011-12, Overpayment due to incorrect calculation – Rs.0.148 million

DP No. 191 Executive Engineer, PHE Division Mianwali

28.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

Audit contended that final bill was required for verification.

The **para was conditionally settled** subject to verification of requisite record by Audit.

73. Para No.3.4.73 Page 230 of Audit Report for the year 2011-12, Overpayment due to incorrect application of rate – Rs.0.130 million

DP No. 215 Executive Engineer, PHE Division Khushab

28.11.2014: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

74. Para No.3.4.74 Pages 230 & 231 of Audit Report for the year 2011-12, Excess payment due to excessive measurement – Rs.0.108 million

DP No. 62 Executive Engineer, PHE Division Rawalpindi

28.11.2014: The Department explained that payment had been made to the contractor as per actual work done at site and variation of quantities had been covered in the statement duly approved by the Superintending Engineer.

The **para was kept pending** with the directions that relevant record in support of departmental contention, should be got verified by Audit.

GENERAL OBSERVATIONS/RECOMMENDATIONS

26.11.2014: The Committee observed that working papers had not been prepared according to the format and the same were submitted very late which caused great inconvenience for the Committee as well as the concerned Accounts/Audit offices.

The Committee took serious notice of this lapse and directed the department to ensure that working papers are timely submitted in future as per prescribed format.

27.05.2015: The Committee observed that several Private Housing Schemes were working and advertising their business in violation of rules and regulations. It was unanimously recommended that action should be taken, as per law/rules, against such un-authorized/ un-approved private housing schemes. It was also recommended that special audit of RDA, FDA, MDA and GDA should be conducted to thrash out the financial matters of the said authorities. In view of various observations during the consideration of business, the Committee further directed/recommended that Special Audit of Dinga Water Supply Scheme should be conducted under intimation to the PAC.

28.03.2016: The Committee observed that some private Housing Schemes were advertising their business without any approval of the government/fulfillment of codal formalities. The Committee therefore, directed/recommended that Special Audit of Private Housing Schemes under all the Development Authorities across the Province, should be conducted, including those under the purview of Lahore Development Authority specially New LDA City Scheme to ascertain what remedial measures were being taken by the Department to safeguard the investments of the public, at large.

29.03.2016: The Committee observed that during its meeting held on 27.03.2014, it had issued directions/recommendations for Special Audit of Johar Town, Lahore which was later deferred in view of the request of the Department that new system of record management was being devised.

The Director General Audit (Works) Lahore opined that Special Audit would not hamper the process of new record management system, at all.

The Committee directed/recommended that Special Audit of Johar Town Lahore should be conducted after 15 July 2016, under intimation to the PAC

Social Welfare, Women Development & Bait-ul-Maal Department

INDUSTRIES

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Audit Paras of the Industries Department in its meetings held on 28.05.2015 & 26.09.2016 and made the following recommendations:-

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

- 1. Para No.5.2.2.1 Pages 40 to 42 of Audit Report for the year 2011-12, Non-adjustment of advance to land acquisition collectors – Rs.1,245 million**
 - Non-return of unutilized amount – Rs. 209.909 million including fraudulent disbursement of land /crop compensation by LACs – Rs. 125.677 million**
-

28.05.2015: The Department explained that case against the defaulters was under trial in the High Court and the same was being pursued vigorously.

Being subjudice, the para was kept pending.

26.09.2016: Audit stated that besides the subject observation, FIEDMC had refused to get its accounts audited.

The Principal Accounting Officer assured that submission of record to Audit would be ensured and any confusion in this regard would be sorted out. However, in case of subject para, the matter was subjudice in Anti-corruption Establishment as well as the High Court.

The **para was kept pending** with the directions/recommendations that matter be pursued vigorously.

- 2. Para No.5.2.2.2 Pages 42 & 43 of Audit Report for the year 2011-12, Financial loss due to opening of LC – Rs.25.789 million**
-

28.05.2015: The Department explained that contract was awarded to M/s. NLC through open bidding and financial assistance had been allowed to the contractor after approval of summary by the Chief Minister Punjab.

The para was conditionally settled subject to verification of record, by Audit, regarding Chief Minister's approvals.

26.09.2016: The Department explained that a Special Committee had been appointed by the Chief Minister whereby it was decided that no financial charges would be imposed in the subject case and decision of the Special Committee had been duly communicated to the Chief Minister.

The Sub-Committee recommended **to settle the para** subject to verification of record by Audit.

3. Para No.5.2.2.3 Pages 43 & 44 of Audit Report for the year 2011-12, Irregular purchase of Polythenele pipe for water supply – Rs.11.877 million

28.05.2015: The Department explained that production of 8" diameter polyethylene pipe was newly started by M/s Dadex Eternit Limited who were sole manufacturer of this item at that time and certificate of proprietorship had been obtained from the said firm.

The para was conditionally settled subject to verification of aforesaid certificate by Audit.

26.09.2016: The Department explained that requisite certificate of proprietorship, had been produced to Audit for verification, however the same had not been issued by the concerned Administrative Secretary at the time of transaction.

The Sub-Committee recommended **to settle the para** with the warnings that such lapses should not repeated in future and instant decision shouldn't be quoted as a precedent.

4. Para No.5.2.2.4 Pages 45 & 46 of Audit Report for the year 2011-12, Irregular award of contract to M/s Asian Consulting Engineer – Rs.1.869 million

28.05.2015: The Department explained that due to urgency, the consultant of Sundar Industrial Estate was engaged and payment was made with due approval of the competent authority. It was added that case for regularization had been moved to the Finance Department.

The para was kept pending till decision of the Finance Department.

26.09.2016: The Department explained that the matter was still pending for decision by the Finance Department.

Finance Department apprised that case had been returned for submission of probe report by the Department.

The Sub-Committee recommended **to settle the para conditionally** subject to decision of the Finance Department, at the earliest.

5. Para No.5.2.2.5 Pages 46 to 47 of Audit Report for the year 2011-12, Non imposition of liquidated damages – Rs.317.333 million and granting escalation – Rs.260.464 million

28.05.2015: The Department explained that liquidated damages were not imposed on the contractor due to actual site requirements and work was carried out in bits and pieces because the land was very costly and several litigation cases were involved in the project.

Report of PAC-II (2011-12)

The Committee directed/recommended that matter should be referred to the Finance Department for seeking clarification and record in support of departmental contention be produced to Audit for verification.

The para was kept pending.

26.09.2016: The Department explained that the matter was still pending for decision by the Finance Department.

Finance Department apprised that case had been returned for submission of probe report by the Department.

The **para was kept pending** for necessary departmental action and decision of the Finance Department, within 60 days.

6. **Para No.5.3.1.1 Page 49 of Audit Report for the year 2011-12, Working Results**

7. **Para No.5.3.1.2 Page 49 of Audit Report for the year 2011-12, Working Results**

8. **Para No.5.3.1.4 Page 50 of Audit Report for the year 2011-12, Working Results**

28.05.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above paras were settled**.

9. **Para No.5.3.1.3 Page 50 of Audit Report for the year 2011-12, Working Results**

28.05.2015: The Department explained that the matter regarding subject para was under trial in the court.

Being subjudice, the para was kept pending with the directions/recommendations that disposal of assets should be expedited.

26.09.2016: The Department explained that a sum of Rs.500 million had been recovered while 20 litigation cases were still pending adjudication in the court and further action would be taken after decision of the court.

The **para was kept pending** with the directions/recommendations that necessary measures be taken to expedite the matter.

10. Para No.5.4.1.1 Page 51 of Audit Report for the year 2011-12, Working Results

28.05.2015: The Department explained that delay in submission of accounts had been occurred due to change of accounts format in accordance with international standards.

The Committee directed/recommended that Finance Department should circulate the calendar for submission of accounts by all the commercial organizations of Punjab Government and in case of any delay in future, responsibility be fixed for the lapse.

The para was kept pending.

26.09.2016: The Department explained that delay in submission of accounts had occurred due to slackness on the part of chartered accountants and all the pending accounts would be submitted by December 2016.

Finance Department apprised that pursuant to the directions of PAC had been issued instructions that accounts be submitted by commercial entities within the timelimit prescribed in their respective act and in case of delay, disciplinary action be taken against the defaulters.

The Committee observed that no progress was made by the Department despite directions/recommendations of PAC dated 28.05.2015 and therefore, directed/recommended that an inquiry be conducted to fix responsibility for the lapse and disciplinary action be taken against the incumbents under intimation to the PAC, within 30 days.

The para was kept pending.

11. Para No.5.4.1.2 Pages 51 & 52 of Audit Report for the year 2011-12, Working Results

12. Para No.5.4.1.7 Page 52 of Audit Report for the year 2011-12, Working Results

13. Para No.5.4.2.3 Pages 57 & 58 of Audit Report for the year 2011-12, Loss due non receipt of 90% advance from the customer – Rs.4.434 million

14. Para No.5.4.2.5 Pages 59 & 60 of Audit Report for the year 2011-12, Non deposit of General Sales Tax into Government Treasury – Rs.4.869 million

28.05.2015: The Department explained that necessary action had been taken in respect of above paras and relevant record had also been got verified by Audit.

On the recommendations of Audit, the **above paras were settled.**

15. Para No.5.4.1.3 Page 52 of Audit Report for the year 2011-12, Working Results

28.05.2015: The Department explained that the matter regarding settlement of assets and liabilities of Service Centres, transferred to TEVTA, was under process and necessary adjustments in the accounts would be made at the earliest.

The Committee directed/recommended that requisite settlement/adjustments should be finalized within 90 days under intimation to the PAC.

The para was kept pending.

26.09.2016: The Department explained that partial settlement of assets and liabilities had been made with TEVTA while case for remaining liabilities was being pursued with TEVTA.

The Committee expressed its concern on casual attitude of the concerned officers and directed/recommended that PAO should ensure necessary settlement/adjustment be finalized within 90days.

The para was kept pending.

16. Para No.5.4.1.4 Page 52 of Audit Report for the year 2011-12, Working Results

28.05.2015: The Department explained that the actuarial study of pension scheme had been conducted and necessary adjustments would be made accordingly.

The Committee directed/recommended that requisite adjustments of liabilities should be made and actuarial audit reports be got verified by Audit within 30 days under intimation to the PAC.

The para was kept pending.

26.09.2016: The Department explained that requisite accounts/record would be submitted to Audit by October 2016.

The para was kept pending for submission of accounts within 30 days.

17. Para No.5.4.1.5 Page 52 of Audit Report for the year 2011-12, Working Results

28.05.2015: The Department explained that amount of land recovery was recycled in various loan schemes which appeared as contra-entry in books of accounts and necessary book adjustment would be made at the earliest.

The Committee directed/recommended that requisite adjustments should be carried out within 90 days under intimation to the PAC.

The para was kept pending.

26.09.2016: The Department explained that requisite accounts/record would be submitted to Audit by October 2016.

The **para was kept pending** for submission of accounts within 30 days.

18. Para No.5.4.1.6 Page 52 of Audit Report for the year 2011-12, Working Results

28.05.2015: The Department explained that requisite details of expenses were available for verification.

The para was kept pending for verification of requisite record by Audit within 30 days.

26.09.2016: The Department explained that requisite accounts/record would be submitted to Audit by October 2016.

The **para was kept pending** for submission of accounts within 30 days.

19. Para No.5.4.2.1 Pages 55 & 56 of Audit Report for the year 2011-12, Shortage of cash/cheques in Pakistan Handicrafts Shop Rawalpindi – Rs.0.357 million

28.05.2015: The Department explained that as per departmental inquiry, major penalty of compulsory retirement was imposed on Mr. Tariq Waseem, Ex-Manager but he filed an appeal before the PSIC Board which would be decided during the next meeting of the Board. It was added that recoverable amount would be deducted from his pensionary dues.

The para was kept pending with the directions/recommendations that matter should be decided within 30 days under intimation to PAC. It was further directed/recommended that department should re-examine the matter of taking criminal action against the aforesaid officer.

26.09.2016: The Department explained that as per departmental inquiry, major penalty of compulsory retirement had been imposed on the responsible Ex-Manager and recovery would be effected from his pension dues. It was added that legal wing of Department had opined that criminal action could not be taken against the responsible officer.

The Committee was not satisfied with the explanation of the Department and desired that aforesaid departmental opinion should be got vetted by the Law Department and PAO should re-investigate the Department to ascertain whether supervisory officers were also responsible for misappropriation and strict disciplinary action be taken against all the responsible officers/officials, under intimation to the PAC.

The **para was kept pending**.

20. Para No.5.4.2.2 Pages 56 & 57 of Audit Report for the year 2011-12, Misappropriation of cash through less deposit by ex-cashier – Rs.1.573 million

28.05.2015: The Department explained that Mr. M. Qadeer, Ex.Cashier was found responsible for misappropriation and resultantly, he was dismissed from service. Meanwhile, cases were got registered against him in Anti-corruption Establishment as well as Police Station, Civil Lines, Lahore. It was added that accused official had made commitment before the Anticorruption Court to deposit the embezzled amount. Thereafter, an amount of Rs.363,920/- had been recovered from him and balance amount would be recovered as per orders of the court.

The para was kept pending with the directions/recommendations that its amount be reduced to the extent of recovery verified by Audit.

26.09.2016: The Department explained that partial recovery had been effected while case against the accused official was subjudice in the Anti-corruption Establishment.

The **para was kept pending** with the directions/recommendations that case be pursued vigorously.

21. Para No.5.4.2.4 Pages 58 & 59 of Audit Report for the year 2011-12, Loss due to late delivery of furniture – Rs.0.528 million

28.05.2015: The Department explained that delay in delivery of furniture had occurred due to heavy load shedding of electricity, resultantly loss amounting to Rs.0.528 million was suffered by the Department and the same had been written off by the PSIC Board.

The Director (Monitoring) Finance Department advised that write off sanction of the Finance Department was required on account of the loss.

The para was kept pending with the directions/recommendations that write off sanction of the loss be sought from the Finance Department.

26.09.2016: The Department explained that case for seeking regularization had been moved to the Finance Department.

The **para was kept pending** for decision of the Finance Department within 30 days.

22. Para No.5.4.2.6 Pages 60 to 61 of Audit Report for the year 2011-12, Failure of Support Center for Auto Parts Designing of Tools and Dies and provision of Testing Facilities at Lahore – Rs.56.902 million

28.05.2015: The Department explained that subject Support Centre could not become fully operational and sustainable due to shortage of technical staff and energy crisis. However,

on recommendations of the Technical Committee, the PSIC Board had decided that CDCs would be offered to the private sector for running on the basis of Public Private partnership and thereafter, the matter was under process in Planning & Development Department.

The para was kept pending with the directions/recommendations that necessary measures should be taken by the PAO to expedite the matter.

26.09.2016: The Department explained that Board had decided to conduct a study for re-activation of the projects and a consultant had been hired for the purpose. Further action would be taken on submission of Consultant's report.

The **para was kept pending** with the directions/recommendations that progress report be submitted to PAC within 30 days.

23. Para No.5.4.2.7 Pages 62 & 63 of Audit Report for the year 2011-12, Wasteful expenditure on the establishment of Cluster Development Centre (CDC) Metallurgy Casting Dies and Agricultural Implements Daska – Rs.25.470 million

28.05.2015: The Department explained that an inquiry had been conducted to thrash out the matter regarding purchase of machinery for Cluster Development Centre and findings/recommendations thereon would be presented before the PSIC Board in its next meeting.

The para was kept pending with the directions/recommendations that matter should be finalized within 30 days under intimation to the PAC. The Committee further directed/recommended that Performance Audit of Punjab Small Industries Corporation should be conducted by the Director General Commercial Audit, Lahore.

26.09.2016: The Department explained that an inquiry had been conducted into the matter whereby responsibility had been fixed for the lapse and further action would be taken accordingly.

The **para was kept pending** with the directions/recommendations that necessary action should be taken as per inquiry report, under intimation to the PAC within 15 days.

24. Para No.5.4.2.8 Pages 64 & 65 of Audit Report for the year 2011-12, Excess payment of medical allowance to PSIC employees – Rs.31.407 million

28.05.2015: The Department explained that medical allowance had been paid with approval of the PSIC Board and a new policy in this connection was being devised.

The Director Monitoring Finance Department advised that such payment was required to be approved by the Finance Department.

The Committee conditionally settled the para subject to regularization of the payment by the Finance Department with the direction/recommendations that new policy should be got vetted by the Administrative as well as Finance Department.

Report of PAC-II (2011-12)

26.09.2016: The Department explained that matter had been approved by the Committee whereby representative of Finance Department was also present.

Finance Department apprised that no such allowance could be granted without approval of the Finance Department.

The **para was kept pending** with the directions/recommendations that case be submitted to Finance Department for seeking advice/regularization.

25. Para No.5.4.2.9 Pages 65 & 66 of Audit Report for the year 2011-12, Wasteful expenditure on Industrial Incubators cum Service Centers at Gujranwala & Faisalabad – Rs.12.868 million

28.05.2015: The Department explained that the subject Centers could not be made functional due to ban on recruitment. However it was assured that necessary remedial measures would be taken within 60 days.

The para was kept pending with the directions/recommendations that project should be made functional within 60 days under intimation to the PAC.

26.09.2016: The Department explained that as per directions of PAC, efforts were being made to the make the project functional.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for the lapse as well as non-compliance of previous directions of PAC and report be submitted to the PAC within 30 days.

The **para was kept pending**.

26. Para No.5.4.2.10 Pages 66 & 67 of Audit Report for the year 2011-12, No recovery from loanes of Micro Finance for Household Enterprises, SME 300 and Customized Lending Schemes – Rs.4.541 million

28.05.2015: The Department explained that an amount of rupees 2.25 million had been recovered and hectic efforts were being made for balance recovery.

The para was kept pending with the directions/recommendations that balance recovery should be effected within 90 days.

26.09.2016: The Department explained that bulk of the loans had been recovered while efforts were being made for recovery of balance outstanding dues but some cases were subjudice in the court.

The **para was kept pending** with the directions/recommendations that pending cases be pursued vigorously.

27. Para No.5.4.2.11 Pages 68 & 69 of Audit Report for the year 2011-12, Non professional assessment of the feasibility of a failed project – Rs.2.000 million

28.05.2015: The Department explained that matter was subjudice in the Banking Court.

The para was kept pending with the direction that case should be pursued vigorously.

26.09.2016: The Department explained that matter was subjudice in the Banking Court.

The **para was kept pending** with the direction that case be pursued vigorously

Social Welfare, Women Development & Bait-ul-Maal Department

INFORMATION, CULTURE & YOUTH AFFAIRS

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Audit Paras of the Information, Culture & Youth Affairs Department in its meeting held on 26.11.2015 and made the following recommendations:-

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

1. **Para No.10.4.1 Pages 269 & 270 of Audit Report for the year 2011-12, Misappropriation of funds due to bogus drawl of bills – Rs.171,405/-**

AIR No. 3 Gujranwala Arts Council, Gujranwala

2. **Para No.10.4.2 Pages 270 & 271 of Audit Report for the year 2011-12, Embezzlement of Government money due to non-deposit of script scrutiny fee – Rs.160,000/-**

AIR No. 2 Gujranwala Arts Council, Gujranwala

3. **Para No.10.4.5 Pages 275 & 276 of Audit Report for the year 2011-12, Bogus adjustments of advances and imprests – Rs.1.205 million**

AIR No. 1 Gujranwala Arts Council, Gujranwala

4. **Para No.10.4.6 Pages 276 & 277 of Audit Report for the year 2011-12, Loss due to non-deduction of Income tax at source – Rs.100,891/-**

AIR No. 5 Gujranwala Arts Council, Gujranwala

26.11.2015: The Department explained that an inquiry had been conducted to thrash out the matter and recovery had been imposed on the responsible officer. As such, disciplinary action was already under process and pension dues of the concerned officer had also been retained.

The Director (Monitoring) Finance Department opined that retention of public money was also irregular.

The Committee directed/recommended that matter be pursued vigorously and finalization of inquiry proceedings/recovery of outstanding dues should be ensured within 30 days under intimation to the PAC. It was added that if deemed necessary, the subject cases should be referred to Anticorruption Establishment.

The paras were kept pending.

5. **Para No.10.4.3 Pages 272 & 273 of Audit Report for the year 2011-12, Unauthorized withdrawal of money from SDA and poor utilization thereof – Rs.15.00 million**
-

AIR No. 2 Director Lahore Museum, Lahore

26.11.2015: The Department explained that funds had been withdrawn with prior approval of the Finance Department keeping in view the peculiar nature of the expenditure on restoration of the masterpiece.

The Director (Monitoring) Finance Department opined that Finance Department was authorized to regulate such transactions.

The explanation of the Department was accepted and **the para was conditionally settled** subject to verification of departmental contention by Audit.

6. **Para No.10.4.4.2 Pages 273 to 275 of Audit Report for the year 2011-12, Irregular expenditure on hiring of contingent staff during ban – Rs.4.376 million**
-

AIR No. 1 Punjab Institute of Languages, Arts and Culture, Lahore – Rs.1,076,626/-

26.11.2015: The Department explained that case for seeking regularization had already been referred to the Finance Department.

The **para was kept pending** till decision of the Finance Department within 30 days.

Social Welfare, Women Development & Bait-ul-Maal Department

IRRIGATION & POWER

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Irrigation & Power Department in its meetings held on 17.03.2015, 18.03.2015 & 27.11.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21009 (009) Irrigation and Land Reclamation (All Voted) Pages 434 to 460 of Appropriation Accounts for the year 2011-12

- (i) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042201 Administration
LQ4025 Chief Engineers

Final Grant		Rs.226,912,000/-
Actual Expenditure		Rs.225,869,675/-
Saving	(-)	Rs. 1,042,325/-
Percentage		0.46%

27.11.2015: The Department explained that bulk of the allocated funds had been utilized while excess expenditure against the sub-head-A011-2 had been incurred due to release of lesser funds against the demand in 2nd statement of Excess & Surrender.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

- (ii) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042201 Administration
LQ4026 Chief Engineer (Water Treaty Implementation Cell)

Final Grant		Rs.28,232,000/-
Actual Expenditure		Rs.28,194,002/-
Saving	(-)	Rs. 37,998/-
Percentage		0.13%

27.11.2015: The Department explained that there was nominal saving against various sub-heads while nominal excess expenditure against the sub-heads A011-1 and A012-1 had been incurred due to allocated of lesser funds in 2nd statement of excess & surrender.

The explanation of the Department was accepted and the **item was settled**.

- (iii) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042201 Administration

LQ4027 Chief Engineer (Planning and Review)

Final Grant		Rs.48,307,000/-
Actual Expenditure		Rs.48,232,517/-
Saving	(-)	Rs. 74,483/-
Percentage		0.15%

27.11.2015: The Department explained that there was nominal saving against various sub-heads while excess expenditure against the sub-heads A011-1 and A011-2 had been incurred due to revision of pay scales by the Government.

The Committee **conditionally settled the item** subject to condonation of excess expenditure by the Finance Department.

- (iv) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042201 Administration

LQ4028 Superintending Engineers

Final Grant		Rs.241,969,000/-
Actual Expenditure		Rs.247,367,051/-
Excess	(+)	Rs. 5,398,051/-
Percentage		2.23%

27.11.2015: The Department explained that excess expenditure had been incurred due to revision of pay scales by the government while lesser allocation was made against the demand in 2nd statement of Excess & Surrender.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (v) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation

LQ4029 Canal Irrigation (Executive)

Report of PAC-II (2011-12)

Final Grant		Rs.5,103,117,000/-
Actual Expenditure		Rs.5,073,962,717/-
Saving	(-)	Rs. 29,154,283/-
Percentage		0.57%

27.11.2015: The Department explained that there was nominal saving while excess expenditure against the sub-head A011-2 and A04 had been incurred due to allocation of lesser funds in 2nd statement of Excess & Surrender.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (vi) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LQ4030 Chashma Right Bank Canal

Final Grant		Rs.8,457,000/-
Actual Expenditure		Rs.8,653,962/-
Excess	(+)	Rs. 196,962/-
Percentage		2.33%

27.11.2015: The Department explained that excess expenditure had been incurred due to allocation of lesser funds by the Finance Department.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (vii) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042205 Equipment Machinery Workshops
LQ4031 Excavator and Store Division

Final Grant		Rs.229,996,000/-
Actual Expenditure		Rs.227,515,188/-
Saving	(-)	Rs. 2,480,812/-
Percentage		1.08%

27.11.2015: The Department explained that there was nominal saving against various sub-heads while excess expenditure against the sub-heads A011-1 and A011-2 had been incurred due to allocation of lesser funds as compared to demand.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (viii) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042205 Equipment Machinery Workshops
LQ4032 Moghalpura Irrigation Workshop

Final Grant		Rs.118,377,000/-
Actual Expenditure		Rs.119,515,719/-
Excess	(+)	Rs. 1,138,719/-
Percentage		0.96%

27.11.2015: The Department explained that excess expenditure was inevitable for payment of salaries to the employees.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (ix) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042205 Equipment Machinery Workshops
LQ4033 Bhalwal Irrigation Workshop

Final Grant		Rs.46,086,000/-
Actual Expenditure		Rs.48,160,751/-
Excess	(+)	Rs. 2,074,751/-
Percentage		4.50%

27.11.2015: The Department explained that excess expenditure had been incurred due to allocation of lesser funds as compared to the demand.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (x) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042202 Irrigation Dams
LQ4038 Irrigation Dams

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Final Grant		Rs.121,066,000/-
Actual Expenditure		Rs.118,162,987/-
Saving	(-)	Rs. 2,903,013/-
Percentage		2.40%

27.11.2015: The Department explained that saving had occurred because certain cheques could not be cleared by the DAO Rawalpindi while excess expenditure against the sub-head A011-2 had been incurred due to lesser allocation by the Finance Department.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (xi) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LQ4039 Canal Irrigation (SR)

Final Grant		Rs.1,197,581,000/-
Actual Expenditure		Rs.1,164,803,995/-
Saving	(-)	Rs. 32,777,005/-
Percentage		2.74%

27.11.2015: The Department explained that saving had occurred due to lesser expenditure on account of utilities while excess expenditure against the sub-head A011-1 had been incurred due to lesser allocation by the Finance Department.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (xii) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042204 Tubewells
LQ4040 Tubewells

Final Grant		Rs. 999,857,000/-
Actual Expenditure		Rs.1,000,743,315/-
Excess	(+)	Rs. 886,315/-
Percentage		0.09%

27.11.2015: The Department explained that excess expenditure was incurred due to less allocation by the Finance Department as compared to demand in 2nd statement of Excess & Surrender.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (xiii) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042206 Irrigation Research & Design
LQ4041 Research Institute

Final Grant		Rs.115,408,000/-
Actual Expenditure		Rs.113,238,491/-
Saving	(-)	Rs. 2,169,509/-
Percentage		1.88%

27.11.2015: The Department explained that there was nominal saving against various sub-heads while excess expenditure against the sub-head A011-1 was inevitable for payment of salaries.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (xiv) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042206 Irrigation Research and Design
LQ4042 Director Design

Final Grant		Rs.17,801,000/-
Actual Expenditure		Rs.17,236,625/-
Saving	(-)	Rs. 564,375/-
Percentage		3.17%

27.11.2015: The Department explained that saving had occurred due to lesser expenditure on account of salaries and utilities.

The explanation of the Department was accepted and the **item was settled**.

- (xv) 10 Social Protection
107 Administration
1071 Administration
107105 Flood Control
LQ4043 Chief Engineer (Flood Cell)

Final Grant		Rs.17,521,000/-
Actual Expenditure		Rs.17,090,618/-
Saving	(-)	Rs. 430,382/-
Percentage		2.46%

27.11.2015: The Department explained saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A012-1 had been incurred due to leave encashment of certain employees.

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The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

(xvi) 10 Social Protection
107 Administration
1071 Administration
107105 Flood Control
LQ4044 Director Hydrology

Final Grant		Rs.11,849,000/-
Actual Expenditure		Rs.11,711,157/-
Saving	(-)	Rs. 137,843/-
Percentage		1.16%

27.11.2015: The Department explained that there was nominal saving against various sub-heads.

The explanation of the Department was accepted and the **item was settled**.

(xvii) 10 Social Protection
107 Administration
1071 Administration
107105 Flood Control
LQ4045 Drainage

Final Grant		Rs.1,694,435,000/-
Actual Expenditure		Rs.1,653,447,196/-
Saving	(-)	Rs. 40,987,804/-
Percentage		2.42%

(xviii) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0423 Land Reclamation
042301 Administration
LQ4047 Director Land Reclamation

Final Grant		Rs.66,278,000/-
Actual Expenditure		Rs.65,596,570/-
Saving	(-)	Rs. 681,430/-
Percentage		1.03%

27.11.2015: The Department explained that there was nominal saving against various sub-heads while excess expenditure against certain sub-heads had been incurred due to less allocation against the demand in 2nd statement of Excess & Surrender.

The **items were conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (xix) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0423 Land Reclamation
042302 Water logging and Salinity Control
LQ4048 Water logging and Salinity Control

Final Grant		Rs.152,734,000/-
Actual Expenditure		Rs.165,560,243/-
Excess	(+)	Rs. 12,826,243/-
Percentage		8.40%

27.11.2015: The Department explained that excess expenditure had been incurred due to less allocation against the demand in 2nd statement of Excess & Surrender.

The Committee directed/recommended that an inquiry be conducted by the PAO to thrash out the reasons for such a huge excess expenditure.

The **item was conditionally settled** subject to regularization by the Finance Department.

- (xx) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others
LQ4049 Grant in Aid to Engineering Academy Lahore

Final Grant		Rs.25,544,000/-
Actual Expenditure		Rs.24,274,456/-
Saving	(-)	Rs. 1,269,544/-
Percentage		4.97%

27.11.2015: The Department explained that saving had occurred because some posts were lying vacant.

The explanation of the Department was accepted and the **item was settled**.

- (xxi) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LQ4764 Greater Thal Canal

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Final Grant		Rs.5,043,000/-
Actual Expenditure		Rs.6,494,887/-
Excess	(+)	Rs.1,451,887/-
Percentage		28.79%

27.11.2015: The Department explained that excess expenditure had been incurred because no budget was released for salaries.

The **item was conditionally settled** subject to regularization by the Finance Department.

- (xxii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LQ5309 Chashma Right Bank Irrigation Project 67 & 68 Stage III, Canal Division Taunsa Sharif (Executive)

Final Grant		Rs.2,031,000/-
Actual Expenditure		Rs.1,900,630/-
Saving	(-)	Rs. 130,370/-
Percentage		6.42%

27.11.2015: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A012-1 was due to less allocation by the Finance Department.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (xxiii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LQ5310 Estab. of Prog. Monitoring & Implementation Unit for Canals Operation & Daily Discharge Data

Final Grant		Rs.41,206,000/-
Actual Expenditure		Rs.37,650,513/-
Saving	(-)	Rs. 3,555,487/-
Percentage		8.63%

27.11.2015: The Department explained that saving had occurred because some posts were lying vacant.

The explanation of the Department was accepted and the **item was settled**.

(xxiv)	04	Economic Affairs
	042	Agri, Food, Irrigation, Forestry & Fishing
	0422	Irrigation
	042250	Others
	LQ5945	Suspense

Final Grant		Rs.259,500,000/-
Actual Expenditure		Rs.164,852,777/-
Saving	(-)	Rs. 94,647,223/-
Percentage		36.47%

27.11.2015: The Department explained that saving had occurred due to non-approval of reserve stock limit and some practical constraints.

The Committee **settled the item** with the directions that timely utilization of such funds should be ensured in future.

2. Grant No. PC21010/PC24010 (010) General Administration Page 461 of Appropriation Accounts for the year 2011-12

04	Economic Affairs
042	Agri, Food, Irrigation, Forestry & Fishing
0422	Irrigation
042201	Administration
LQ4086	Irrigation & Power Department

Final Grant		Rs.83,306,000/-
Actual Expenditure		Rs.87,989,552/-
Excess	(+)	Rs. 4,683,552/-
Percentage		5.62%

27.11.2015: The Department explained that excess expenditure had been incurred due to less allocation by the Finance Department.

The Committee **settled the item** subject to regularization of excess expenditure by the Finance Department. It was also directed that Account General office should inquire as to how the bill was passed without any allocation against the sub-head A04.

3. Grant No. PC22036 (036) Development: (All Voted) Pages 462 to 465 of Appropriation Accounts for the year 2011-12

(i)	04	Economic Affairs
	042	Agri, Food, Irrigation, Forestry & Fishing
	0422	Irrigation
	042203	Canal Irrigation
	LE4286	Canal Irrigation

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Final Grant		Rs.151,739,000/-
Actual Expenditure		Rs.139,424,961/-
Saving	(-)	Rs. 12,314,039/-
Percentage		8.12%

27.11.2015: The Department explained that saving had occurred because some posts were lying vacant.

The explanation of the Department was accepted and the **item was settled.**

- (ii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0442 Irrigation
042204 Tubewells
LE4287 Tubewells

Final Grant		Rs.20,100,000/-
Actual Expenditure		Rs. 999,888/-
Saving	(-)	Rs.19,100,112/-
Percentage		95.03%

- (iii) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LE4290 Canal Irrigation

Final Grant		Rs.100,000,000/-
Actual Expenditure		<i>Nil</i>
Saving	(-)	Rs.100,000,000/-
Percentage		100.00%

27.11.2015: The Department explained that foreign aided portion had not been accounted for in expenditure. As per factual position, funds had been fully utilized.

The explanation of the Department was accepted and **the above items were settled.**

- (iv) 04 Economic Affairs
042 Agri, Food, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LE4292 Canal Irrigation
LO09200158 Automation of Board of Revenue

Final Grant		Rs.59,703,000/-
Actual Expenditure		Rs.56,946,090/-
Saving	(-)	Rs. 2,756,910/-
Percentage		4.62%

27.11.2015: The Department explained that saving had occurred because some posts were lying vacant.

The explanation of the Department was accepted and **the item was settled.**

4. Grant No. PC12037 (037) Irrigation Works: (Development) (All Voted) Pages 466 to 473 of Appropriation Accounts for the year 2011-12

- (i) 04 Economic Affairs
 042 Agriculture, Irrigation, Forestry & Fishing
 0422 Irrigation
 042202 Irrigation Dams
LE4229 Canal Irrigation

	<u>AG Figures</u>		<u>Departmental Figures</u>
Final Grant	Rs.1,213,353,000/-		Rs.1,213,353,000/-
Actual Expenditure	Rs. 865,560,365/-		Rs. 860,628,044/-
Saving	(-) Rs. 347,792,635/-	(-)	Rs. 352,724,956/-
Percentage	28.66%		29.07%

27.11.2015: The Department explained that saving had occurred due to late release of supplementary funds which could not be utilized due to shortage of time.

The Director (Monitoring) Finance Department opined that tendering process could be initiated in case of schemes for which funds had already been allocated in budget.

The PAO was of the view that technical sanction of any project could not be granted without availability of funds in hand.

The Committee directed/recommended that Finance Department should resolve the issue across all Departments under intimation to the PAC within 60 days.

The **item was settled** with the directions that timely utilization of funds must be ensured in future.

- (ii) 04 Economic Affairs
 042 Agriculture, Irrigation, Forestry & Fishing
 0422 Irrigation
 042203 Canal Irrigation
LE4223 Canal Irrigation

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	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.2,366,670,000/-	Rs.2,166,670,000/-
Actual Expenditure	Rs.1,326,198,711/-	Rs.1,354,898,739/-
Saving (-)	Rs.1,040,471,289/-	(-) Rs. 811,771,261/-
Percentage	43.96%	37.47%

27.11.2015: The Department explained that saving had been depicted because foreign aided expenditure had not been taken into consideration by the office of Director General Accounts Works, Lahore. As per factual position, there was saving to the tune of 5.11% only after excluding the foreign aided component from the final grant.

The Director (Monitoring) Finance Department apprised that instructions had been issued to properly account for the foreign aid funds.

The Committee **settled the item** with the directions/recommendations that Finance Department should circulate the aforesaid instructions regarding proper account of foreign aid funds, to all the concerned Departments.

- (iii) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LE4235 Canal Irrigation

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,580,059,000/-	Rs.1,780,059,000/-
Actual Expenditure	Rs.1,134,911,568/-	Rs.1,107,021,191/-
Saving (-)	Rs. 445,147,432/-	Rs. 673,037,809/-
Percentage	28.17%	37.81%

27.11.2015: The Department explained that saving to the tune of 13.09% only had occurred after excluding the foreign aided component. It was stated that funds could not be utilized due to non-approval of PC-I of the project.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for lapse of funds and warnings be issued to the incumbents under intimation to the PAC.

The **item was conditionally settled** subject to above directions/recommendations.

- (iv) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LE4238 Canal Irrigation

Final Grant Rs.15,190,000/-

Actual Expenditure		Rs.12,575,068/-
Saving	(-)	Rs. 2,614,932/-
Percentage		17.21%

27.11.2015: The Department explained that saving had occurred because project was completed in saving.

The explanation of the Department was accepted and the **item was settled**.

- (v) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LE4240 Canal Irrigation

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,795,916,000/-	Rs.1,795,916,000/-
Actual Expenditure	Rs. 400,000,000/-	Rs. 245,916,000/-
Saving	(-) Rs.1,395,916,000/-	Rs.1,550,000,000/-
Percentage	77.73%	86.31%

- (vi) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LE4242 Canal Irrigation

Final Grant	Rs.1,773,069,000/-
Actual Expenditure	Rs. 473,045,174/-
Saving	(-) Rs.1,300,023,826/-
Percentage	73.32%

27.11.2015: The Department explained that after excluding the foreign aided share of grant, the saving was quite nominal.

The Committee directed/recommended that an inquiry be conducted to thrash out the facts and warnings be issued to the incumbents responsible for lapse of funds, if any.

The **items were conditionally settled** subject to above directions/recommendations.

- (vii) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042203 Canal Irrigation
LE4244 Canal Irrigation

AG Figures

Departmental Figures

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Final Grant		Rs.6,600,000/-	Rs.6,600,000/-
Actual Expenditure		<i>Nil</i>	Rs.6,600,000/-
Excess/Saving	(-)	Rs.6,600,000/-	<i>Nil</i>
Percentage		100.00%	0.00

- (viii) 10 Social Protection
107 Administration
1071 Administration
107105 Flood Control
LE4246 Flood Control

Final Grant		Rs.7,314,000/-
Actual Expenditure		Rs.7,314,000/-
Excess/Saving		<i>Nil</i>
Percentage		0.00%

27.11.2015: The Department explained that all the allocated funds had been fully utilized.

The items were accordingly settled.

- (ix) 04 Economic Affairs
042 Agriculture, Irrigation, Forestry & Fishing
0422 Irrigation
042204 Tubewells (Irrigation)
LE4403 Tubewells (Irrigation)

Final Grant		Rs.40,000,000/-
Actual Expenditure		Rs.39,995,331/-
Saving	(-)	Rs. 4,669/-
Percentage		0.01%

- (x) 10 Social Protection
107 Administration
1071 Administration
107105 Flood Control
LE4243 Flood Control

Final Grant		Rs.180,000,000/-
Actual Expenditure		Rs.179,999,316/-
Saving	(-)	Rs. 684/-
Percentage		0.00%

27.11.2015: The Department explained that all the allocated funds had been almost fully utilized.

The items were accordingly settled.

- (xi) 10 Social Protection

107 Administration
1071 Administration
107105 Flood Control
LE4227 Flood Control

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.498,746,000/-	Rs.521,154,000/-
Actual Expenditure	Rs.501,930,075/-	Rs.502,060,090/-
Excess (+)	Rs. 3,184,075/-	Rs. 19,093,910/-
Percentage	0.64%	3.66%

27.11.2015: The Department explained that bulk of the allocated funds had been utilized and there was nominal saving.

The item was accordingly settled.

(xii) 10 Social Protection
107 Administration
1071 Administration
107105 Flood Control
LE4237 Flood Control

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.655,209,000/-	Rs.655,209,000/-
Actual Expenditure	Rs.559,980,787/-	Rs.547,504,906/-
Saving (-)	Rs. 95,228,213/-	Rs.107,704,094/-
Percentage	14.53%	16.44%

27.11.2015: The Department explained that saving related to federal grant which had been re-validated during the next financial year and subsequently, the project had been completed.

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

(xiii) 10 Social Protection
107 Administration
1071 Administration
107105 Flood Control
LE4239 Flood Control

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.1,047,230,000/-	Rs.1,024,822,000/-
Actual Expenditure	Rs. 932,592,570/-	Rs. 945,379,754/-
Saving (-)	Rs. 114,637,430/-	Rs. 79,442,246/-
Percentage	10.95%	7.75%

27.11.2015: The Department explained that saving had occurred due to late release of funds which could not be fully utilized due to time constraints.

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

AUDIT PARAS (REVENUE RECEIPTS) FOR THE YEAR 2011-12

1. **Para No.3.4.1 Pages 63 & 64 of Audit Report for the year 2011-12, Short-realization of water charges due to application of old rates – Rs.21.272 million**

27.11.2015: The Department explained that a summary for enhancement of rate of raw water was moved to the Chief Minister but the new rates could not be approved. As such, collection of dues would be made the old rate.

The **para was conditionally settled** subject to reconciliation/recovery of outstanding dues as per old rate.

2. **Para No.3.4.2 Pages 64 & 65 of Audit Report for the year 2011-12, Loss of Government revenue due to non-recovery of water charges for non irrigation purposes – Rs.3.594 million**

- (i) **3.4.2.1 PDP No. 14732 DCO Khanewal – Rs. 2,825,676/-**

27.11.2015: The Department explained that partial recovery had been effected while case involving balance amount was subjudice in the court.

The **para was kept pending** with the directions that its amount be reduced to the extent of recovery verified by Audit.

- (ii) **3.4.2.2 PDP No. 14928 DCO Muzaffargarh – Rs. 768,570/-**

27.11.2015: The Department explained that matter for recovery had been forwarded to the Revenue Authorities.

The Committee reiterated its directions/recommendations to strengthen/streamline the mechanism for recovery.

The **para was kept pending**.

3. **Para No.3.4.3 Pages 65 & 66 of Audit Report for the year 2011-12, Loss due to non registration of toll tax contracts – Rs.1.759 million**

PDP No. 14927

27.11.2015: The Department explained that stamp paper valuing Rs.1,000/- was obtained from the concerned contractor.

The Director (Monitoring) Finance Department and Audit opined that departmental contention was not justified and recovery ought to be effected as per Audit observation.

The **para was kept pending** for recovery of outstanding dues.

AUDIT PARAS (WORKS) FOR THE YEAR 2011-12

1. Para No. 4.4.1 Pages 241 to 245 of Audit Report for the year 2011-12, Non-recovery/adjustment of amounts placed in suspense head – Rs. 47.656 million

(i) 4.4.1.1 DP No. 64 MFDAC, Executive Engineer, Shujabad Canal Division Multan

17.03.2015: The Department explained that an inquiry was being conducted to thrash out the matter and efforts were being made to recover the balance amount.

The **para was kept pending** with the directions/recommendations that complete recovery should be effected within 90 days as per assurance of concerned officers.

(ii) 4.4.1.2 DP No. 231, Executive Engineer, Flood Bund Division, Narowal

(iii) 4.4.1.3 DP No. 257, Executive Engineer, Rasul Division Lower Jhelum Canal, Rasul

18.03.2015: The Department explained that balances pointed out by Audit related to very old period wherein some payments were made from suspense head due to non-availability of budget and same would be adjusted on receipt on requisite funds.

The Committee directed/recommended that a reference be moved to the Finance Department for clearance of liabilities. Meanwhile, inquiries/necessary action by the Department should be completed within 90 days under intimation to the PAC.

The **paras were kept pending**.

(iv) 4.4.1.4 DP No. 66, Executive Engineer, Pasrur Link Division, Sialkot

18.03.2015: The Department explained that most the amount related to the work executed in Flood Bund Narowal Sub-division and the record had been transferred there. It was added that efforts were being made for regularization of the expenditure.

The **para was kept pending** with the directions/recommendations that record management be improved and matter regarding outstanding amount be resolved within 90 days in coordination with the Finance Department.

(v) 4.4.1.5 DP No. 265, Executive Engineer, Taunssa Barrage Division, Kot Adu

27.11.2015: The Department explained that efforts were being made to adjust/recover the outstanding amount.

The **para was kept pending** with the directions/recommendations that matter regarding long outstanding dues should be resolved in co-ordination with the Finance Department.

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(vi) **4.4.1.6 DP No. 241, Executive Engineer, Khanki Division LCC(E), Khanki**

17.03.2015: The Department explained that balances pointed out by Audit related to the period since 1947 and partial recovery had been effected. It was added that some payments were made from suspense head due to non-availability of budget and same would be adjusted on receipt of requisite funds.

The Committee directed/recommended that a reference be moved to the Finance Department for clearance of liabilities. Meanwhile, inquiries/necessary action by the Department should be completed within 90 days under intimation to the PAC.

The para was kept pending.

(vii) **4.4.1.7 DP No. 34 MFDAC, Executive Engineer, Lodhran Canal Division, Lodhran**

17.03.2015: The Department explained that recoverable amount was outstanding in P.W. Misc advances since 1970 and several letters had been issued to concerned offices/officials.

The **para was kept pending** with the directions/recommendations that Finance Department should take necessary measure for recovery of long outstanding dues within 90 days.

2. Para No. 4.4.2 Pages 245 to 247 of Audit Report for the year 2011-12, Loss to government due to non-recovery of rest house charges from Police Department – Rs. 44.106 million

(i) **4.4.2.1 DP No. 302, Executive Engineer, Lodhran Canal Division, Lodhran**

(ii) **4.4.2.2 DP No. 301, Executive Engineer, Lodhran Canal Division, Lodhran**

(iii) **4.4.2.3 DP No. 303, Executive Engineer, Lodhran Canal Division, Lodhran**

17.03.2015: The Department explained that residences had been forcefully occupied by Police, District & Session Judge and NLC and no recovery could be effected despite repeated requests to the concerned quarters.

The **above paras were kept pending** with the directions that matter should be taken up by the PAO with IG Police and Registrar High Court and a copy of the reference be submitted to the PAC for further necessary action.

3. Para No. 4.4.3 Pages 246 & 247 of Audit Report for the year 2011-12, Less recovery of sales tax – Rs. 23.743 million

DP No. 334, Executive Engineer, Shahpur Division LJC, Sargodha

18.03.2015: The Department explained that a clarification had been sought from the FBR and further action would be taken accordingly.

The Committee directed/recommended that advice of FBR be got vetted by Finance Department and the same be applied across the board.

The **para was conditionally settled** subject to above direction.

4. Para No. 4.4.4 Pages 248 & 249 of Audit Report for the year 2011-12, Undue financial aid to the contractor due to non-obtaining of additional performance security – Rs. 21.544 million

(i) 4.4.4.1 DP No. 83, Executive Engineer, Ahmadpur Canal Division, Bahawalpur

17.03.2015: The Department explained that work had been completed satisfactorily, therefore, balance recovery on account of security deposit was not required.

The Committee expressed its displeasure on the above said stance of concerned officer and directed/recommended that strict warnings be issued to the concerned officers besides getting the irregularity condoned by the Finance Department.

The **para was kept pending**.

(ii) 4.4.4.2 DP No. 6, Executive Engineer, Burala Division, Faisalabad

17.03.2015: The Department explained that work had been completed satisfactorily and statement of allegation had been framed against the responsible officer for not obtaining the additional performance security.

The Committee directed/recommended that strict action should be taken against the incumbent and irregularity be got condoned by the Finance Department.

The **para was kept pending**.

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5. Para No. 4.4.5 Pages 249 to 251 of Audit Report for the year 2011-12, Non-credit of unclaimed lapsed deposits – Rs. 17.967 million

(i) 4.4.5.1 DP No. 258, Executive Engineer, Rasul Division Lower Jhelum Canal, Rasul

18.03.2015: The Department explained that total security deposits beyond the specified period of 3 years, had been adjusted which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

(ii) 4.4.5.2 DP No. 169, Executive Engineer, Punjnad Headworks, Punjnad

The Department explained that securities were released after final bills of all the works had been prepared and relevant record had been got verified by Audit.

On the recommendation of Audit, **the para was settled**.

(iii) 4.4.5.3 DP No. 8 MFDAC, Executive Engineer, D.G. Khan Canal Division, D.G. Khan

27.11.2015: The Department explained that deposits amounting to Rs.842,908/- had been adjusted and balance amount would also be reconciled/adjusted.

The **para was conditionally settled** subject to recovery/adjustment of total outstanding dues and its verification by Audit.

(iv) 4.4.5.4 DP No. 266, Executive Engineer, Taunsa Barrage Division, Kot Adu

27.11.2015: The Department explained that necessary action had been taken in respect of Audit observation and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the para was settled**.

6. Para No. 4.4.6 Pages 251 to 253 of Audit Report for the year 2011-12, Non-recovery of drainage charges – Rs. 14.041 million

(i) 4.4.6.1 DP No. 197, Executive Engineer, Lahore Drainage Division, Lahore

18.03.2015: The Department explained that notices for recovery of drainage charges had already been issued to the concerned agencies and DCO had also been requested to recover the same as arrears of land revenue.

The **para was kept pending** with the directions/recommendations that notices be issued to the defaulters to deposit the outstanding dues within 30 days failing which drains might be stopped.

(ii) 4.4.6.2 DP No. 308, Executive Engineer, Multan Canal Division, Multan

17.03.2015: The Department explained that outstanding amount was recoverable from Town Committees Shah Rukn-e-Alam and Kabirwala, WASA Multan and Natural Gas Power station co. Multan. It was added that no progress could be made despite hectic efforts of the field formation.

The Committee directed/recommended that a reference be moved to the PAC through the Administrative Secretary for onward recommendations to the Chief Secretary in order to expedite recovery.

The para was kept pending.

(iii) 4.4.6.3 DP No. 108, Executive Engineer, River Diversion Division, Muzaffargarh

18.03.2015: The Department explained that total recovery had been effected from the concerned sugar mill which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

7. Para No. 4.4.7 Page 253 & 254 of Audit Report for the year 2011-12, Overpayment due to payment of incorrect price escalation – Rs. 10.146 million

DP No. 279, Executive Engineer, Chakwal Dam Division, Chakwal

17.03.2015: The Department explained that price variation had been paid to the contractor as per provisions of the agreement with approval of the competent authority and the same had been got verified by Audit.

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

8. Para No. 4.4.8 Pages 254 to 256 of Audit Report for the year 2011-12, Overpayment on application of incorrect base rate for price escalation – Rs.8.596 million

(i) 4.4.8.1 DP No. 120, Executive Engineer, D.G. Khan Construction, Division, D.G. Khan

18.03.2015: The Department explained that total outstanding amount had been recovered and final bill as well as variation statement would be produced after finalization of the project.

The Committee **settled the para** subject to issuance of certificate by the PAO that recovered amount would not be adjusted in future payments.

(ii) 4.4.8.2 DP No. 211, Executive Engineer, LCC Division, Jhang

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17.03.2015: The Department explained that outstanding amount had been recovered which had also been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that warnings be issued to the concerned officers/officials.

(iii) **4.4.8.3 DP No. 114, Executive Engineer, Jampur Construction Division, D.G. Khan**

18.03.2015: The Department explained that total outstanding dues had been recovered from the security deposit of the contractor which had also been got verified by Audit and the work was still in progress.

Audit contended that final bill and monthly account was required for verification.

The Committee directed/recommended that security deposit of the contractor be recouped.

The **para was conditionally settled** subject to issuance of certificate by the PAO that recovered amount would be retained by the Department.

9. Para No. 4.4.9 Pages 256 & 257 of Audit Report for the year 2011-12, Irregular booking of expenditure and non-clearance of suspense head stock – Rs. 7.322 million

DP No. 288, Executive Engineer, Taunssa Barrage Division, Kot Adu

27.11.2015: The Department explained that request for grant of special fund had been moved to the Finance Department and requisite adjustment would be made as soon as the funds were received.

The Committee directed/recommended that PAO should inquire the matter under intimation to the PAC within 30 days.

The **para was kept pending**.

4. Para No. 4.4.10 Pages 257 & 258 of Audit Report for the year 2011-12, Overpayment due to application of excessive rate – Rs. 6.447 million

DP No. 10, Executive Engineer, Sammundri Drainage Division, Faisalabad

17.03.2015: The Department explained that outstanding amount had been recovered on account of overpayment which had also been got verified by Audit.

Audit contended that price variation was also recoverable from the contractor.

The **para was conditionally settled** subject to recovery of total outstanding dues and its verification by Audit.

11. Para No. 4.4.11 Pages 258 & 264 of Audit Report for the year 2011-12, Overpayment due to excess lead for carriage of stone – Rs. 6.25 million

(i) 4.4.11.1 DP No. 315, Executive Engineer, Trimmu Barrage Division Trimmu

17.03.2015: The Department explained that shortest possible route was adopted and a certificate in this regard had been obtained from the Communication & Works Department.

The **para was conditionally settled** subject to verification of aforesaid certificate.

(ii) 4.4.11.2 DP No. 163, Executive Engineer, Punjnad Headworks, Punjnad

(iii) 4.4.11.3 DP No. 168, Executive Engineer, Punjnad Headworks, Punjnad

(iv) 4.4.11.4 DP No. 174, Executive Engineer, Punjnad Headworks, Punjnad

(v) 4.4.11.6 DP No. 175, Executive Engineer, Punjnad Headworks, Punjnad

(vi) 4.4.11.7 DP No. 173, Executive Engineer, Punjnad Headworks, Punjnad

(vii) 4.4.11.8 DP No. 172, Executive Engineer, Punjnad Headworks, Punjnad

17.03.2015: The Department explained that lead for carriage of stone was provided from Sakhi Sarwar as per lead chart of Provincial Highway Department and payment was made to the contractor as per sanctioned estimate.

The Committee directed that a Special Committee under the convenorship of Mian Irfan Daultana, MPA, PP-234, comprising representative each from the Finance, Communication & Works and Irrigation Department should thrash out the matter and report be submitted to the PAC at the earliest.

The **paras were kept pending**.

(viii) 4.4.11.5 DP No. 222, Executive Engineer, Chackbandi Division, Lahore

(ix) 4.4.11.9 DP No. 228, Executive Engineer, Chackbandi Division, Lahore

18.03.2015: The Department assured that amount pointed out by Audit would be recovered at the earliest.

The **paras were kept pending** with the directions/recommendations that total recovery should be effected within 90 days.

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- 12. Para No. 4.4.12 Page 264 of Audit Report for the year 2011-12, Unjustified payment of price variation on account of application on inadmissible material – Rs. 5.846 million**
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DP No. 121, Executive Engineer, D.G. Khan Construction, Division, D.G. Khan

18.03.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

- 13. Para No. 4.4.13 Pages 264 to 266 of Audit Report for the year 2011-12, Overpayment due to allowing higher rates in rate analysis – Rs. 4.537 million**
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- (i) 4.4.13.1 DP No. 286, Executive Engineer, Taunssa Barrage Division, Kot Adu**

27.11.2015: The Department explained that due to severe flood, the breaches of structure at Taunsa Barrage were to be closed/repared in emergency and rates of non-standardized items were approved by the Director Technical.

The Committee directed/recommended that PAO should examine the matter and ascertain that no malafide was involved.

The **para was kept pending** for submission of requisite report to the PAC by the PAO. It was further decided that it should not be referred as a precedent in future.

- (ii) 4.4.13.2 DP No. 287, Executive Engineer, Taunssa Barrage Division, Kot Adu**

27.11.2015: Audit apprised that outstanding dues had already been recovered but necessary probe as per directions of SDAC was still awaited.

The **para was conditionally settled** subject to requisite probe and necessary action thereon under intimation to the PAC within 30 days.

- 14. Para No. 4.4.14 Pages 266 & 267 of Audit Report for the year 2011-12, Unjustified payment due to inadmissible cost of work done – Rs. 4.093 million**
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DP No. 28, Executive Engineer, D.G. Khan Construction, Division, D.G. Khan

18.03.2015: The Department explained that amount pointed out by Audit had been recovered which had also been got verified by Audit. However, further observations of Audit were not justified.

The Committee directed/recommended that recoverable amount be reconciled with Audit.

The **para was conditionally settled** subject to verification of complete recovery, by Audit.

15. Para No. 4.4.15 Pages 267 & 270 of Audit Report for the year 2011-12, Overpayment due to non-deduction of shrinkage – Rs. 4.054 million

(i) 4.4.15.1 DP No. 156, Executive Engineer, Bahawalpur Canal Division, Bahawalpur

17.03.2015: The Department explained that estimate had been revised wherein some items had been deleted/reduced. As such scope of work was changed with approval of the competent authority. It was added that project was still pending due to non-availability of funds and security deposit of contractor was lying with the Department.

The **para was kept pending** for verification of relevant record by Audit.

(ii) 4.4.15.2 DP No. 88, Executive Engineer, Dallas Division, Rahim Yar Khan

17.03.2015: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above para was settled.**

(iii) 4.4.15.3 DP No. 261, Executive Engineer, Qadirabad Barrage Division

17.03.2015: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that such agreements should be clarified regarding manual/mechanical work.

(iv) 4.4.15.4 DP No. 170, Executive Engineer, Punjnad Headworks

17.03.2015: The Department explained that as per technical report of the concerned staff, earth involved in cutting was slush which could not be used for filling as per site conditions and the estimate had been sanctioned by the competent authority accordingly.

The **para was conditionally settled** subject to verification of competent authority's sanction.

(v) 4.4.15.5 DP No. 43, MFDAC, Executive Engineer, Bahawalpur Canal Division, Bahawalpur

17.03.2015: The Department explained that an amount of Rs.65,419/- had been recovered while balance recovery was not due because work had been got done through machinery.

The **para was conditionally settled** subject to verification of relevant record by Audit.

16. Para No. 4.4.16 Pages 270 & 272 of Audit Report for the year 2011-12, Non-recovery due to de-escalation in price of material – Rs.3.648 million

(i) 4.4.16.1 DP No. 7, Executive Engineer, Burala Division, Faisalabad

17.03.2015: The Department explained that recovery on account of de-escalation in case of steel was not due while in case of cement, outstanding amount had been recovered from security deposit of the contractor.

The Committee directed/recommended that security deposit of the contractor be recouped and relevant record be produced to Audit for verification.

The para was kept pending.

(ii) 4.4.16.2 DP No. 152, Executive Engineer, Bahawalpur Canal Division, Bahawalpur

17.03.2015: The Department explained that deduction of de-escalation was not justified as escalation had not been paid to the contractor. It was assured that price variation would be recovered at the time of finalization of accounts. Moreover, payments of the contractor were pending due to non-availability of funds.

The para was kept pending with the directions/recommendations that de-escalation should be recovered from running bills as per rules.

17. Para No. 4.4.17 Pages 272 & 273 of Audit Report for the year 2011-12, Non-recovery of penal rent due to illegal occupation of Government residence – Rs.3.566 million

(i) 4.4.17.1 DP No. 61, Executive Engineer, Pasrur Link Division, Sialkot

18.03.2015: The Department explained that as per findings of departmental inquiry, efforts were made to recover the outstanding dues from Mr. M.Saeed, Sub-Engineer (retired) as arrears of land revenues but no property could be traced in his name, therefore, District Accounts Officer had been requested to effect recovery from his pension but the accused filed an appeal before the competent authority which was still pending.

The Committee directed/recommended that all residences of the Department should be got vacated from illegal occupants. The Committee further directed/recommended that PAO should examine the matter and disciplinary action should be initiated against the incumbents responsible for custody of the residences as well as the officer who issued NOC in favour of the accused officer for pension dues and report be submitted to the PAC.

The para was kept pending.

(ii) 4.4.17.2 DP No. 49, Executive Engineer, Burala Division, Faisalabad

17.03.2015: The Department explained that recovery was outstanding against Mr. M.Asalam who had died and therefore, recovery could not be effected.

The Committee directed/recommended that warnings be issued to those responsible for allowing the continuation of illegal occupancy for 15 years. Meanwhile, case be moved for write off sanction of the loss.

The para was kept pending.

18. Para No. 4.4.18 Pages 273 & 274 of Audit Report for the year 2011-12, Loss to government due to theft of material/T&P articles – Rs. 3.161 million

(i) 4.4.18.1 DP No. 75, Excavator Division, Faisalabad

17.03.2015: The Department explained that FIR had been registered on account of stolen machine while recovery had been imposed on the responsible employees. It was added that recovery was being effected through monthly installments.

The **para was kept pending** with the directions that its amount be reduced to the extent of recovery verified by Audit and surplus/unserviceable machinery should be auctioned at the earliest.

(ii) 4.4.18.2 DP No. 304, Executive Engineer, Lodhran Canal Division, Lodhran

17.03.2015: The Department explained that an FIR had been registered with Police on account of stolen material and an inquiry had also been initiated to fix responsibility. However, Mr. Mohammad Saeed, SDO had filed a writ petition and the matter was still subjudice. Meanwhile, disciplinary proceedings against the aforesaid SDO were also under process.

The **para was kept pending** with the directions/recommendations that no field posting should be given to the aforesaid officer till conclusion of the subject case.

19. Para No. 4.4.19 Pages 275 & 276 of Audit Report for the year 2011-12, Non-recovery of electricity charges – Rs. 2.781 million

DP No. 53, Executive Engineer, Marala Head Works Division, Sialkot

18.03.2015: The Department explained that bulk of the amount against the employees of the Department had been recovered while an amount of Rs.1,804,232/- was outstanding against Chenab Rangers for which no progress could be made despite repeated reminders.

The **para was kept pending** with the directions/recommendations that PAO should take up the matter of recovery with DG, Rangers. Meanwhile, separate meters be installed in residential colonies under intimation to PAC within 90 days.

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20. Para No. 4.4.20 Pages 276 & 277 of Audit Report for the year 2011-12, Non-recovery of fine due to late depositing of advance installments – Rs.2.511 million

(i) 4.4.20.1 DP No. 260, Executive Engineer, Qadirabad Barrage Division, Qadirabad

17.03.2015: The Department explained that efforts were being made for recovery as arrears of land revenue and FIR had been got registered against the contractor. Simultaneously, departmental action had been initiated against the responsible officers.

The Committee directed/recommended that recovery should be imposed on the responsible officers.

The **para was kept pending.**

(ii) 4.4.20.2 DP No. 144, Executive Engineer, Suleimanki Headworks Suleimanki

17.03.2015: The Department explained that matter for recovery had been taken up with the Police while technical probe in the matter was also being conducted and further action would be taken as per findings of probe report.

The Committee directed/recommended that in case of failure to recover the outstanding dues, recovery should be imposed on the concerned officers/officials responsible for the loss.

The **above para was kept pending** for recovery of outstanding dues.

21. Para No. 4.4.21 Pages 277 to 281 of Audit Report for the year 2011-12, Loss to government due to adoption of incorrect rates in the technical sanctioned estimate – Rs. 2.099 million

(i) 4.4.21.1 DP No. 312, Executive Engineer, Multan Canal Division, Multan

17.03.2015: The Department explained that a clarification in the matter had been sought from the Finance Department which was still awaited.

The **para was kept pending** with the directions/recommendations that Finance Department should decide the matter within 15 days under intimation to the PAC.

(ii) 4.4.21.2 DP No. 38, Executive Engineer, D.G. Khan Canal Division, D.G. Khan

27.11.2015: The Department explained that actual outstanding amount had been recovered which had also been got verified by Audit.

The Committee **settled the para** subject to issuance of warning to the incumbents responsible for the lapse.

(ii) **4.4.21.3 DP No. 134 Executive Engineer, Rajanpur Canal Division, Rajanpur**

27.11.2015: The Department explained that outstanding amount had been recovered but final bill could not be prepared due to some litigation.

The **para was conditionally settled** subject to verification of final bill by Audit.

(iv) **4.4.21.4 DP No. 112, Executive Engineer, River Diversion Division, Muzaffargrah**

18.03.2015: The Department explained that total outstanding amount had been recovered from the security deposit of the contractor which could be verified by Audit.

The Committee directed/recommended that security deposit of the contractor should be recouped.

The **para was conditionally settled** subject to verification of relevant record/compliance of above directions.

(v) **4.4.21.5 DP No. 44 Executive Engineer, Muzaffargrah Canal Division, Muzaffargrah**

27.11.2015: The Department explained that necessary action had been taken in respect of Audit observation and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

(vi) **4.4.21.6 DP No. 36, Executive Engineer, D.G. Khan Canal Division, D.G. Khan**

27.11.2015: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

Audit contended that verification of final bill and monthly accounts was still awaited.

The **para was conditionally settled** subject to verification of requisite record by Audit and issuance of warnings to the incumbents responsible for applying incorrect rates.

22. Para No. 4.4.22 Pages 281 to 284 of Audit Report for the year 2011-12, Loss to government due to less recovery of renewal and enlistment fee – Rs. 2.018 million

- (i) **4.4.22.1 DP No. 104, Executive Engineer, D.G. Khan Canal Division, D.G. Khan**
(ii) **4.4.22.4 DP No. 109, Executive Engineer, River Diversion, Division Basira**

27.11.2015: The Department explained that recovery had already been effected as per rates applicable in 2011-12 while the rates of enlistment fee in Irrigation & Power Department were revised in 2013.

The **paras were conditionally settled** subject to verification of departmental contention by Audit.

- (iii) **4.4.22.2 DP No. 224, Executive Engineer, Chackbandi Division, Lahore**

18.03.2015: The Department explained that revised enlistment fee related to C & W Department and Irrigation Department had not yet revised its schedule for renewal/enlistment fee.

The Committee directed/recommended that a clarification in the matter be sought from the Finance Department.

The **para was conditionally settled** subject to decision of the Finance Department.

- (iv) **4.4.22.3 DP No. 309, Executive Engineer, Multan Canal Division, Multan**

17.03.2015: The Department explained that a clarification in the matter had been sought from the Finance Department which was still awaited.

The **para was kept pending** with the directions/recommendations that Finance Department should decide the matter within 15 days under intimation to the PAC.

- 23. Para No. 4.4.23 Page 284 of Audit Report for the year 2011-12, Unauthorized payment of price escalation – Rs.1.823 million**
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DP No. 117, Executive Engineer, Jampur Construction Division, D.G. Khan

18.03.2015: The Department explained that total outstanding amount had been recovered from the security deposit of the contractor which could be verified by Audit.

The Committee directed/recommended that security deposit of the contractor should be recouped.

The **para was conditionally settled** subject to verification of relevant record/compliance of above directions.

- 24. Para No. 4.4.24 Page 285 of Audit Report for the year 2011-12, Overpayment due to application of incorrect rates – Rs. 1.646 million**

DP No. 311, Executive Engineer, Multan Canal Division, Multan

17.03.2015: The Department explained that work related to brick lining instead of concrete lining and payment for item 'formation dressing and preparation of sub-grade on slope; was justified keeping in view the site conditions.

The **para was kept pending** with the directions/recommendations that advice of Technical Wing, Finance Department should be sought in the matter.

25. Para No. 4.4.25 Pages 285 & 286 of Audit Report for the year 2011-12, Excess payment due to allowing higher rates in rate analysis – Rs. 1.195 million

DP No. 291, Executive Engineer, Development Division No.II, Lahore

18.03.2015: The Department assured that amount pointed out by Audit would be recovered at the earliest.

The **para was kept pending** with the directions/recommendations that total recovery should be effected within 90 days.

26. Para No. 4.4.26 Pages 286 & 287 of Audit Report for the year 2011-12, Non-adjustment of accounts of manufacture operation – Rs.1.039 million

DP No. 259, Executive Engineer, Qadirabad Barrage Division, Qadirabad

17.03.2015: The Department explained that partial recovery had been placed in PWD Misc advances against various officers while balance amount pertained to the period prior to 1975 and it wasn't possible to recover the same.

The Committee directed/recommended that Finance Department should examine the matter within 90 days and in case of non-recovery, the same should be imposed on the concerned officers under intimation to the PAC.

The **para was kept pending**.

27. Para No. 4.4.27 Pages 287 & 288 of Audit Report for the year 2011-12, Loss due to auction of toll tax below the reserve price – Rs. 0.975 million

DP No. 254, Executive Engineer, Rasul Division Lower Jhelum Canal, Rasul

18.03.2015: The Department explained that an inquiry had been conducted into the matter whereby it was established that tender for toll tax was advertised three times and highest bid was approved by the competent authority. Hence, no loss was sustained by the government.

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The Director (Monitoring) Finance Department apprised that matter was required to be re-examined in the light of PPRA rules.

The **para was kept pending** for necessary action as per above advice of Finance Department.

28. Para No. 4.4.28 Page 288 of Audit Report for the year 2011-12, Overpayment due to excessive lead – Rs. 0.809 million

DP No. 25, Executive Engineer, Upper Chenab Canal Division, Sheikhpura

18.03.2015: The Department explained that actual lead was 163 km as per chart of Highway Department while Audit observation was based on miscalculation in the record.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

29. Para No. 4.4.29 Pages 288 to 290 of Audit Report for the year 2011-12, Loss to government due to allowing inadmissible premium on M&R work – Rs. 0.790 million

(i) 4.4.29.1 DP No. 283, Executive Engineer, Taunssa Barrage Division, Kot Adu

(ii) 4.4.29.2 DP No. 285, Executive Engineer, Taunssa Barrage Division, Kot Adu

27.11.2015: The Department explained that outstanding amount had been recovered which had also been got verified by Audit.

Audit contended that disciplinary action against the incumbents and verification of final bill was still awaited.

The **paras were conditionally settled** subject to verification of final bill and issuance of warnings to the responsible officials/officers under intimation to the PAC within 30 days.

30. Para No. 4.4.30 Pages 290 & 291 of Audit Report for the year 2011-12, Less recovery of cost of deposit work – Rs. 0.762 million

DP No. 320, Executive Engineer, Multan Canal Division, Multan

17.03.2015: The Department explained that scheme was prepared as per direction of Commissioner Multan and the donor agency/MDA had been requested to deposit the outstanding dues.

The **para was kept pending** with the directions/recommendations that subject matter should also be included in the reference to be moved to the PAC through the Administrative Secretary.

31. Para No. 4.4.31 Pages 291 & 294 of Audit Report for the year 2011-12, Non-recovery of flood surcharge – Rs. 0.683 million

(i) 4.4.31.1 DP No. 225, Executive Engineer, Chackbandi Division, Lahore

18.03.2015: The Department explained that partial recovery had been effected and balance amount would also be recovered at the earliest.

The amount of para was reduced to the extent of recovery verified by Audit with the directions/recommendations that balance amount should also be recovered within 90 days.

The para was kept pending.

(ii) 4.4.31.2 DP No. 166, Executive Engineer, Punjnad Headworks Division, Punjnad

17.03.2015: The Department explained that partial recovery had been effected and notice had been issued to the contractor for balance recovery and the contractor had filed a writ petition regarding this work.

Being subjudice, the para was kept pending.

(iii) 4.4.31.3 DP No. 146, Executive Engineer, Eastern Bar Division, Pakpattan

17.03.2015: The Department explained that outstanding amount had been recovered which had also been produced to Audit for verification.

The Committee settled the para subject to verification of complete recovery by Audit

(iv) 4.4.31.4 DP No. 310, Executive Engineer, Multan Canal Division, Multan

17.03.2015: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The para was conditionally settled subject to verification of requisite record by Audit.

(v) 4.4.31.5 DP No. 95, Executive Engineer, Dallas Canal Division, Rahim Yar Khan

17.03.2015: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, the above para was settled.

32. **Para No. 4.4.32 Page 294 of Audit Report for the year 2011-12, Unjustified payment of price variation on inadmissible material (stone) – Rs.0.671 million**

DP No. 34, Executive Engineer, Jampur Construction Division, D.G. Khan

18.03.2015: The Department explained that total outstanding dues had been recovered from the security deposit of the contractor which had also been got verified by Audit.

Audit contended that final bill and monthly account was required for verification.

The **para was conditionally settled** subject to verification of relevant record by Audit.

33. **Para No. 4.4.33 Page 295 of Audit Report for the year 2011-12, Loss due to non-recovery of income tax – Rs. 0.631 million**

DP No. 251, Executive Engineer, Rasul Division Lower Jhelum Canal, Rasul

18.03.2015: The Department assured that amount pointed out by Audit would be recovered within 90 days.

Audit contended that performance guarantee of the contractor had not been retained by the Department.

The Committee **kept the para pending** with the direction/recommendations that outstanding amount be recovered within 90 days failing which the same should be imposed on the concerned officers.

34. **Para No. 4.4.34 Pages 295 & 296 of Audit Report for the year 2011-12, Overpayment due to adoption of incorrect market rate of bajri – Rs.0.606 million**

DP No. 31, Executive Engineer, D.G. Khan Construction, Division, D.G. Khan

18.03.2015: The Department explained that total amount pointed out by Audit had been recovered which had also been verified by Audit. It was added that supplementary observations of Audit were not justified.

The Committee **settled the para subject** to verification of relevant record by Audit.

35. Para No. 4.4.35 Pages 296 & 298 of Audit Report for the year 2011-12, Less recovery of toll collection – Rs. 0.572 million

- (i) **4.4.35.1 DP No. 139, Executive Engineer, Mailsi Syphon Division Thingi**
- (ii) **4.4.35.2 DP No. 167, Executive Engineer, Punjnad Headworks, Punjnad**

17.03.2015: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above paras were settled.**

36. Para No. 4.4.36 Pages 298 & 299 of Audit Report for the year 2011-12, Overpayment due to excess over T.S.E – Rs.0.473 million

DP No. 48, Executive Engineer, Burala Division, Faisalabad

17.03.2015: The Department explained that recovery pointed out by Audit was not justified as the work had been completed within permissible provisions.

The **para was conditionally settled** subject to reconciliation of record with Audit within 30 days under intimation to the PAC.

37. Para No. 4.4.37 Pages 299 & 300 of Audit Report for the year 2011-12, Non-recovery of income tax – Rs. 0.472 million

- (i) **4.4.37.1 DP No. 143, Executive Engineer, Suleimanki Headworks, Suleimanki**

17.03.2015: The Department explained that matter for recovery had been taken up with the Police while technical probe in the matter was also being conducted and further action would be taken as per findings of probe report.

The Committee directed/recommended that in case of failure to recover the outstanding dues, recovery should be imposed on the concerned officers/officials responsible for the loss.

The **above para was kept pending** for recovery of outstanding dues.

- (ii) **4.4.37.2 DP No. 136, Executive Engineer, Mailsi Syphon Division Thingi**

17.03.2015: The Department explained that necessary action in respect of above paras had been taken and relevant record had also been got verified by Audit.

On the recommendations of Audit, **the above para was settled.**

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- 38. Para No. 4.4.38 Pages 300 & 301 of Audit Report for the year 2011-12, Excess payment due to allowing higher rate of balance quantity of earth – Rs.0.392 million**
-

DP No. 27 MFDAC, Executive Engineer, Khanki Head Works Division, LCC (E)

17.03.2015: The Department explained that a technical probe had been conducted into the matter whereby it was concluded that laboratory tests were conducted prior to payment.

The **para was conditionally settled** subject to verification of relevant record by Audit.

- 39. Para No. 4.4.39 Pages 301 & 302 of Audit Report for the year 2011-12, Irregular booking of expenditure – Rs. 0.353 million**
-

DP No. 328, Executive Engineer, Sargodha Division LJC Sargodha

18.03.2015: The Department explained that in view of energy crisis, expenditure had been charged to other head due to non-availability of funds in the relevant head.

The **para was kept pending** with the directions/recommendations that irregularity be got condoned by the Finance Department and warnings be issued to the incumbents responsible.

- 40. Para No. 4.4.40 Pages 302 & 303 of Audit Report for the year 2011-12, Overpayment due to incorrect application of rates – Rs. 0.259 million**
-

- (i) 4.4.40.1 DP No. 230, Executive Engineer, Flood Bund Division, Narowal**

18.03.2015: The Department explained that total amount pointed out by Audit, had been recovered while the work was still under process and final bill would be produced in due course.

The **para was conditionally settled** subject to verification of requisite record by Audit.

- (ii) 4.4.40.2 DP No. 209, Executive Engineer, LCC Division Jhang**

17.03.2015: The Department explained that total outstanding amount pointed out by Audit, had been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

- 41. Para No. 4.4.41 Page 304 of Audit Report for the year 2011-12, Overpayment due to allowing excess lead – Rs. 0.224 million**
-

DP No. 12, Executive Engineer, UJC Division, Gujrat

18.03.2015: The Department explained that work had been declared emergent by the competent authority and crush was taken from Sargodha quarry as the same wasn't available at Dina quarry. The facts had also been got verified by Audit.

On the recommendation of Audit, **the para was settled.**

42. Para No. 4.4.42 Page 305 of Audit Report for the year 2011-12, Overpayment due to less/non-deduction of available earth – Rs. 0.217 million

DP No. 234, Executive Engineer, Flood Bund Division, Narowal

18.03.2015: The Department explained that total outstanding amount had been recovered from the security deposit of the contractor. However, the work was still under process.

The Committee directed/recommended that security deposit of the contractor should be recouped and warning be issued to the incumbents. Moreover, Finance Department should ensure financial training of DDOs.

The **para was kept pending.**

GENERAL OBSERVATIONS/DIRECTIONS

27.11.2015: The Committee directed/recommended that PAO should examine all the items of Appropriation Accounts wherein excess expenditure had been incurred and warnings be issued to the incumbents responsible for failure in timely re-appropriation or any lapses in the 2nd statement of Excess & Surrender.

Social Welfare, Women Development & Bait-ul-Maal Department

LABOUR & HUMAN RESOURCES

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Labour & Human Resources Department in its meeting held on 29.04.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Page 479 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
041 General Economic, Commercial & Labour Affairs
0413 General Labour Affairs
041310 Administration

LQ4075 Labour & Human Resource Department

Final Grant		Rs.27,618,000/-
Actual Expenditure		Rs.27,909,279/-
Excess	(+)	Rs. 291,279/-
Percentage		1.05%

29.04.2015: The Department explained that excess expenditure had been incurred on Pay & Allowances of certain officers while excess expenditure against the sub-head A04 had been wrongly depicted in Budget Book. As per factual position expenditure against this sub-head was within the allocated budget.

The Committee directed/recommended that excess expenditure be got regularized by the Finance Department.

The **item was conditionally settled** subject to decision of the Finance Department.

2. Grant No. PC21023 (023) Miscellaneous Departments Pages 480 to 484 of Appropriation Accounts for the year 2011-12

(i) 03 Public Order & Safety Affairs
031 Law Courts
0311 Law Courts
031101 Courts/Justice
LQ4226 Labour Courts

Final Grant		Rs.69,186,000/-
Actual Expenditure		Rs.63,950,738/-
Saving	(-)	Rs. 5,235,262/-
Percentage		7.57%

29.04.2015: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A011-2 had been incurred due to payment of arrears to certain officials.

The Committee directed/recommended that excess expenditure be got regularized by the Finance Department and surplus funds should be timely surrendered in future.

The **item was conditionally settled** subject above directions.

- (ii) 03 Public Order & Safety Affairs
031 Law Courts
0311 Law Courts
031101 Courts/Justice
LQ4475 Labour Appellate Tribunal Lahore

Final Grant		Rs.29,259,000/-
Actual Expenditure		Rs.27,038,255/-
Saving	(-)	Rs. 2,220,745/-
Percentage		7.59%

29.04.2015: The Department explained that saving had occurred because some posts were lying vacant. Moreover, salaries of certain officers were booked in wrong head of account by the Accountant General office which resulted in excess expenditure against the sub-head A011-2.

The Director (Monitoring) Finance Department opined that it was a matter of misclassification which required regularization.

The **item was conditionally settled** subject to regularization by the Finance Department within 30 days.

- (iii) 04 Economic Affairs
041 General Economic, Commercial & Labour Affairs
0412 Commercial Affairs
041212 Trade Marks, Patent & Copyrights
LQ4225 Weights and Measures Trade Marks and Patent Rights

Final Grant		Rs.13,281,000/-
Actual Expenditure		Rs. 9,456,898/-
Saving	(-)	Rs. 3,824,102/-
Percentage		28.79%

29.04.2015: The Department explained that saving had occurred because several posts were lying vacant while excess expenditure against the sub-head A011-1 was incurred because supplementary funds were not allocated by the Finance Department as per demand.

The Committee directed/recommended that an enquiry be conducted to thrash out the matter and warnings be issued to the concerned DDOs for not getting the funds re-appropriated and excess expenditure be got regularized by the Finance Department.

The **item was conditionally settled** subject to above directions.

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- (iv) 04 Economic Affairs
041 General Economic, Commercial & Labour Affairs
0413 General Labour Affairs
041310 Administration

LQ4228 Directorate of Labour Welfare

Final Grant		Rs.65,783,000/-
Actual Expenditure		Rs.64,596,037/-
Saving	(-)	Rs. 1,186,963/-
Percentage		1.80%

29.04.2015: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A011-2 was incurred due to promotion of certain employee as supplementary funds were not allocated by the Finance Department as per demand.

The Committee directed/recommended that an enquiry be conducted to fix responsibility for huge excess/savings against various sub-heads and excess expenditure be got regularized by the Finance Department.

The **item was conditionally settled** subject to above directions.

- (v) 04 Economic Affairs
041 General Economic, Commercial & Labour Affairs
0413 General Labour Affairs
041308 Wage Regulation

LQ4229 Minimum Wages Board

Final Grant		Rs.6,340,000/-
Actual Expenditure		Rs.6,178,410/-
Saving	(-)	Rs. 161,590/-
Percentage		2.55%

29.04.2015: The Department explained that minor saving had occurred due to lesser expenditure on account of medical charges and utilities.

The explanation of the Department was accepted and the **item was settled**.

3. Grant No. PC22036 (036) Development: (All Voted) Page 485 of Appropriation Accounts for the year 2011-12

- 04 Economic Affairs
041 General Economic, Commercial & Labour Affairs
0413 General Labour Affairs
041310 Administration

LE4222 Administration

Final Grant		Rs.41,063,000/-
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Actual Expenditure		Rs.38,099,279/-
Saving	(-)	Rs. 2,963,721/-
Percentage		7.22%

29.04.2015: The Department explained that saving had occurred because some procurements could not be materialized while excess expenditure against the sub-heads A011-2 and A012-2 had been incurred on account of Pay & Allowances.

The **item was conditionally settled** subject to regularization of expenditure by the Finance Department.

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

- 1. Para No.11.4.1 Pages 285 & 286 of Audit Report for the year 2011-12; Overpayment of Conveyance Allowance to the officers enjoying facility of official transport – Rs. 297,600/-**
-

- (i) **AIR No. 14(b) Secretary Labour & HR Lahore – Rs. 14,880/-**

29.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

The **para was settled** with the directions that internal controls be strengthened to avoid overpayments in future.

- (ii) **AIR No. 3 Chairman Punjab minimum wages Board Lahore – Rs. 44,640/-**

29.04.2015: The Department explained that recovery was outstanding against Mr. Labib-ur-Rehman, Ex-Chairman, Minimum Wages Board but no progress could be made despite repeated reminders.

The Committee directed/recommended that Revenue Authorities be approached to effect recovery as arrears of land revenue.

The **para was kept pending**.

- (iii) **AIR No. 14 Director Labour Welfare Lahore – Rs. 238,080/-**

29.04.2015: The Department explained that vehicles were used for official duties and log books were available for verification.

Audit contended that departmental contention was not justified because vehicles had been designated to the officers. As such, conveyance allowance was not admissible.

The **para was kept pending** with the directions/recommendations that overpayment should be recovered from the concerned officers.

- 2. Para No.11.4.2 Pages 286 & 287 of Audit Report for the year 2011-12; Loss of Government revenue due to less deduction of Income Tax at source – Rs.52,250/-**
-

- AIR No. 1 Secretary Labour & Human Resource Department, Lahore**

29.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that such lapses should be avoided in future.

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

1. **Para No.7.2.1.1 Page 76 of Audit Report for the year 2011-12; Working results**

2. **Para No.7.2.1.2 Page 76 of Audit Report for the year 2011-12; Working results**

3. **Para No.7.2.1.3 Page 76 of Audit Report for the year 2011-12; Working results**

4. **Para No.7.2.1.4 Page 77 of Audit Report for the year 2011-12; Working results**

5. **Para No.7.2.1.5 Page 77 of Audit Report for the year 2011-12; Working results**

6. **Para No.7.2.1.6 Page 77 of Audit Report for the year 2011-12; Working results**

7. **Para No.7.2.1.7 Page 77 of Audit Report for the year 2011-12; Working results**

8. **Para No.7.2.1.8 Page 77 of Audit Report for the year 2011-12; Working results**

9. **Para No.7.2.1.9 Page 77 of Audit Report for the year 2011-12; Working results**

10. **Para No.7.2.1.10 Page 77 of Audit Report for the year 2011-12; Working results**

11. **Para No.7.2.2.1 Page 78 of Audit Report for the year 2011-12; Irregular appointment of Director (IT) in violation of the contract appointment policy – Rs. 1.233 million**

12. **Para No.7.2.2.2 Page 79 of Audit Report for the year 2011-12; Loss due to less deduction of group insurance premium from employees – Rs. 14.129 million**

13. **Para No.7.2.2.3 Pages 79 & 80 of Audit Report for the year 2011-12; Non recovery of late delivery charges – Rs. 10.756 million**

14. **Para No.7.2.2.4 Pages 80 to 82 of Audit Report for the year 2011-12; Irregular payment on account of publicity and advertisement – Rs. 0.575 million**

15. **Para No.7.2.2.5 Pages 82 & 83 of Audit Report for the year 2011-12; Irregular purchase of vehicles during ban period – Rs. 10.556 million**

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16. **Para No.7.2.2.6 Page 83 of Audit Report for the year 2011-12; Excess payment to staff on account of Adhoc Allowance – Rs. 0.363 million**

17. **Para No.7.2.2.7 Pages 84 & 85 of Audit Report for the year 2011-12; Loss due to less receipt of social security contribution – Rs. 0.566 million**

18. **Para No.7.2.2.8 Pages 85 & 86 of Audit Report for the year 2011-12; Non recovery of insurance claims – Rs. 11.300 million**

19. **Para No.7.2.2.9 Pages 86 & 87 of Audit Report for the year 2011-12; Non-recovery due to improper pursuance of an employer – Rs.22.315 million and loss due to non-response to official liquidator – Rs. 2.797 million**

20. **Para No.7.2.2.10 Pages 87 & 88 of Audit Report for the year 2011-12; Non-recovery of outstanding dues from employers – Rs. 3.283 million**

29.04.2015: Audit apprised the Committee that during last few years, PESSI had refused to get its accounts Audited by the Director General Commercial Audit Lahore.

The Department explained that PESSI had its own Audit and Accounting system and self-funded mechanism and it carried out activities without receiving any budget from the consolidated fund. It was added that PESSI had not received any seed money from the government. It provided health and allied benefits to the low paid workers through contribution from their employers. It was also apprised that PESSI was bound to maintain its accounts and deposits in Bank of Punjab despite offering lower rate of profit.

The Director (Monitoring) Finance Department opined that as per rules of business, PESSI was attached department of Labour & Human Resource Department and as such, it was required to be audited by the Auditor General of Pakistan.

The Committee directed/recommended that a comprehensive reference on the aforesaid issues should be furnished by the Department within 7 days which would be forwarded by the Committee to the Additional Chief Secretary Punjab to resolve the issues within 30 days.

The paras were kept pending.

Social Welfare, Women Development & Bait-ul-Maal Department

LAW & PARLIAMENTARY AFFAIRS

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Law & Parliamentary Affairs Department in its meeting held on 30.09.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Pages 491 & 492 of Appropriation Accounts for the year 2011-12

01	General Public Service
011	Executive & Legislative Organs, Financial
0111	Executive & Legislative Organs
011101	Parliamentary/Legislative Affairs

LQ4062 Law and Parliamentary Affairs Department

Final Grant		Rs.123,273,000/-
Actual Expenditure		Rs.114,662,126/-
Saving	(-)	Rs. 8,610,874/-
Percentage		6.99%

30.09.2015: The Department explained that saving had occurred because several posts were lying vacant and process of recruitment could not be completed till the end of financial year.

The explanation of the Department was accepted and the **item was settled**.

2. Grant No. PC21011/PC24011 (011) Administration of Justice Pages 493 to 497 of Appropriation Accounts for the year 2011-12

(i)	03	Public Order And Safety Affairs
	031	Law Courts
	0311	Law Courts
	031102	Attorneys/Legal Services

LQ5467 Solicitors Department

Final Grant		Rs.25,664,000/-
Actual Expenditure		Rs.25,069,234/-
Saving	(-)	Rs. 594,766/-
Percentage		2.32%

30.09.2015: The Department explained that saving had occurred because several posts were lying vacant and resultantly, official vehicles also remained idle.

The Committee **settled the item** with the directions/recommendations that proper explanation for saving/excess against each sub-head should be incorporated in working papers.

- (ii) 03 Public Order And Safety Affairs
031 Law Courts
0311 Law Courts
031102 Attorneys/Legal Services
LQ5468 Mufassil Establishment

Final Grant		Rs.276,886,000/-
Actual Expenditure		Rs.261,326,761/-
Saving	(-)	Rs. 15,559,239/-
Percentage		5.62%

30.09.2015: The Department explained that saving had occurred because several posts were lying vacant due to ban on recruitment.

The **item was settled** with the directions/recommendations that surplus funds should be timely surrendered in future.

- (iii) 03 Public Order And Safety Affairs
031 Law Courts
0311 Law Courts
031103 Pb-Judicial Academy
LQ4472 Punjab Judicial Academy

Final Grant		Rs.41,117,000/-
Actual Expenditure		Rs.32,291,372/-
Saving	(-)	Rs. 8,825,628/-
Percentage		21.46%

30.09.2015: The Department explained that saving had occurred because several posts were lying vacant and two training programmes could not be conducted during the proposed period.

The Committee directed/recommended that matter be examined by the Administrative Department and comprehensive instructions be issued to avoid such lapses in future.

The **item was conditionally settled** subject to above directions/recommendations.

- (iv) 03 Public Order And Safety Affairs
031 Law Courts
0311 Law Courts
031120 Others
LQ4110 Administrative-General and Official Trustee

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	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs. 964,000/-	Rs. 964,000/-
Actual Expenditure	Rs.1,083,112/-	Rs.1,083,647/-
Excess (+)	Rs. 119,112/-	Rs. 119,167/-
Percentage	12.36%	

30.09.2015: The Department explained that excess expenditure had been incurred due to revision of the rates of honorarium which was paid to the office of Administrator General and Official Trustee.

The **item was conditionally settled** with the directions/recommendations that excess expenditure should be got regularized by the Finance Department.

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

1. Para No.12.4.1 Pages 295 & 296 of Audit Report for the year 2011-12, Loss due to less/non deduction of income tax and surcharge – Rs.631,366/-

(i) 12.4.1.1 AIR No. 3 Secretary Law & Parliamentary Affairs, Lahore – Rs. 192,376/-

30.09.2015: The Department explained that income tax had been deducted at source from the salary of the Director, Law & Parliamentary Affairs and Income Tax Return had also been submitted by him.

The Committee **settled the para** subject to verification of requisite income tax return by Audit. It was further recommended that Audit should continue to point out any erroneous calculations of income tax while scrutinizing the pay roll in future and such observations should also be reported to the Accountant General Office, as well.

(ii) 12.4.1.3 AIR No. 4 District Attorney, Lahore – Rs. 141,187/-

30.09.2015: The Department explained that total outstanding amount had been deposited into government treasury on account of income tax which had also been got verified by Audit.

The para was accordingly settled.

GENERAL OBSERVATIONS/RECOMMENDATIONS

30.09.2015: The Committee observed that overall performance of the department in dealing with the Appropriation Accounts, Audit Report and presentation of working papers to PAC-II was far from satisfactory. The working papers in respect of certain items of Appropriation Accounts were submitted very late, almost few hours before the commencement of the meeting. Moreover, certain items of Appropriation Accounts relating to attached departments were missing in the working paper altogether.

The Committee took serious notice of the casual attitude of the concerned officers of the Law & Parliamentary Affairs Department towards the PAC business and desired that displeasure of the Committee may be conveyed to the concerned officers through the Secretary/Principle Accounting Officer.

Social Welfare, Women Development & Bait-ul-Maal Department

LITERACY & NON-FORMAL BASIC EDUCATION

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts of the Literacy & Non-formal Basic Education Department in its meeting held on 26.11.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Page 503 of Appropriation Accounts for the year 2011-12

09 Education Affairs & Services
093 Tertiary Education Affairs & Services
0931 Tertiary Education Affairs & Services
093103 Administration

LQ4073 Literacy Department

Final Grant	Rs.21,585,000/-
Actual Expenditure	Rs.20,888,985/-
Saving (-)	Rs. 696,015/-
Percentage	3.22%

26.11.2015: The Department explained that saving had occurred mainly due to reason that several posts were lying vacant and there was nominal excess against the sub-head A011-2.

The Committee **settled the item** with the directions that timely re-appropriation of funds should be ensured in future and proper explanation for saving/excess against each sub-head be incorporated in working papers.

2. Grant No. PC22036 (036) Development: (All Voted) Page 1056 of Appropriation Accounts for the year 2011-12

09 Education Affairs And Services
091 Pre.& Primary Education Affairs & Services
0911 Pre.& Primary Education Affairs & Services
091103 Administration

LE4272 Administration

Final Grant	Rs.52,717,000/-
Actual Expenditure	Rs.37,979,338/-
Saving (-)	Rs.14,737,662/-
Percentage	27.96%

26.11.2015: The Department explained that saving had occurred because several posts were lying vacant and funds could not be utilized due to precautionary financial management of project activities.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

**LOCAL
GOVERNMENT
&
COMMUNITY
DEVELOPMENT**

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts of the Local Government & Community Development Department in its meeting held on 28.05.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Page 537 of Appropriation Accounts for the year 2011-12

- 01 General Public Service
- 011 Executive & Legislative Organs, Financial
- 0111 Executive & Legislative Organs
- 011108 Local Authority Administration & Regulation

LQ4065 Local Government and Rural Development Department

Final Grant		Rs.116,281,000/-
Actual Expenditure		Rs.110,193,775/-
Saving	(-)	Rs. 6,087,225/-
Percentage		5.23%

28.05.2015: The Department explained that saving had occurred because several posts were lying vacant.

The Committee **settled the item** with the directions that surplus funds should be timely surrendered in future.

2. Grant No. PC21031 (031) Miscellaneous (All Voted) Pages 538 to 543 of Appropriation Accounts for the year 2011-12

- (i)
- 09 Education Affairs and Services
 - 097 Education Affairs, Services Not Elsewhere
 - 0971 Education Affairs, Services Not Elsewhere
 - 097120 Others

GU4001 Inspectorate of Boilers

Final Grant		Rs.15,119,000/-
Actual Expenditure		Rs.15,402,669/-
Excess	(+)	Rs. 283,669/-
Percentage		1.88%

- (ii)
- 06 Housing and Community Amenities
 - 062 Community Development
 - 0622 Rural Development
 - 062202 Rural Works Programme

LQ4288 Provincial Directorate

Final Grant		Rs.59,004,000/-
Actual Expenditure		Rs.59,281,973/-
Excess	(+)	Rs. 277,973/-
Percentage		0.47%

28.05.2015: The Department explained that excess expenditure had been incurred on account of Pay & Allowances due to revision of pay scales by the Government.

The above **items were conditionally settled** subject to regularization of excess expenditure by the Finance Department. It was further directed/recommended that timely reconciliation and re-appropriation of funds must be ensured in future.

- (iii) 06 Housing and Community Amenities
062 Community Development
0622 Rural Development
062202 Rural Works Programme
LQ4289 District Staff

Final Grant		Rs.227,640,000/-
Actual Expenditure		Rs.233,535,621/-
Excess	(+)	Rs. 5,895,621/-
Percentage		2.59%

28.05.2015: The Department explained that excess expenditure had been incurred on account of Pay & Allowances due to revision of pay scales by the Government.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for huge saving/excess against various sub-heads of the grant as to why timely re-appropriation was not carried out. Thereafter, excess expenditure be got regularized by the Finance Department.

The **item was conditionally settled** subject to above directions.

- (iv) 06 Housing and Community Amenities
062 Community Development
0622 Rural Development
062202 Rural Works Programme
LQ4290 Punjab Local Councils Election Authority

Final Grant		<i>Nil</i>
Actual Expenditure		Rs.70,495/-
Excess	(+)	Rs.70,495/-
Percentage		100%

28.05.2015: The Department explained that salary of an official was erroneously released but the same had been recovered and book adjustment for the purpose would be made accordingly.

The **item was conditionally settled** subject to above stated book adjustment.

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- (v) 06 Housing and Community Amenities
062 Community Development
0622 Rural Development
062202 Rural Works Programme

LQ4291 Directorate of Katchi Abadies

Final Grant		Rs.27,890,000/-
Actual Expenditure		Rs.26,751,487/-
Saving	(-)	Rs. 1,138,513/-
Percentage		4.08%

28.05.2015: The Department explained that saving had occurred because some posts of officers were lying vacant and lesser expenditure was incurred on account of TA/DA and utilities.

The explanation of the Department was accepted and **the item was settled.**

- (vi) 06 Housing and Community Amenities
062 Community Development
0622 Rural Development
062202 Rural Works Programme

LQ4092 Southern Punjab Basic Urban Services Project

Final Grant		Rs.6,952,000/-
Actual Expenditure		Rs.6,817,209/-
Saving	(-)	Rs. 134,791/-
Percentage		1.94%

28.05.2015: The Department explained that the project had already been completed, however excess expenditure against the sub-head A011-2 had been incurred on account of payment of salary.

The **item was conditionally settled** subject to condonation of excess expenditure against the sub-head A011-2, by the Finance Department.

3. Grant No. PC22036 (036) Development: (All Voted) Page 544 of Appropriation Accounts for the year 2011-12

- 06 Housing and Community Amenities
062 Community Development
0622 Rural Development
062202 Rural Works Programme

LE4209 Rural Works Programme

Final Grant		Rs.13,547,243,000/-
Actual Expenditure		Rs.11,750,019,406/-
Saving	(-)	Rs. 1,797,223,594/-
Percentage		13.27%

28.05.2015: The Department explained that saving had occurred due to late release of funds by the Finance Department.

The **item was settled** with the directions/recommendations such lapses should be avoided in future.

Social Welfare, Women Development & Bait-ul-Maal Department

MINES & MINERALS

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Mines & Minerals Department in its meeting held on 30.01.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Page 559 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
044 Mining & Manufacturing
0441 Manufacturing
044105 Administration
LQ4382 Mines & Minerals Department

Final Grant		Rs.23,311,000/-
Actual Expenditure		Rs.22,790,052/-
Saving	(-)	Rs. 520,948/-
Percentage		2.23%

30.01.2015: The Department explained that minor saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A011-1 and A011-2 was incurred due to increase in salaries by the Government.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for not getting the funds re-appropriated and warnings be issued to the responsible officers/officials. It was further directed/recommended that excess expenditure be got condoned by the Finance Department.

The item was conditionally settled subject to above directions.

2. Grant No. PC21022 (022) Industries: (All Voted) Pages 560, 561 & 936 of Appropriation Accounts for the year 2011-12

(i) 04 Economic Affairs
044 Mining & Manufacturing
0442 Mining
044201 Mining of Mineral Resources Other Than Mineral
LQ4223 Inspectorate of Mines

Final Grant		Rs.112,233,000/-
Actual Expenditure		Rs.112,140,278/-
Saving	(-)	Rs. 92,722/-
Percentage		0.08%

- (ii) 04 Economic Affairs
044 Mining & Manufacturing
0442 Mining
044201 Mining of Mineral Resources Other Than Mineral
LQ4331 Regional Establishment

Final Grant		Rs.105,642,000/-
Actual Expenditure		Rs.105,044,871/-
Saving	(-)	Rs. 597,129/-
Percentage		0.57%

- (iii) 04 Economic Affairs
044 Mining & Manufacturing
0442 Mining
044201 Mining of Mineral Resources Other Than Mineral
LQ4221 Headquarters Establishment

Final Grant		Rs.59,911,000/-
Actual Expenditure		Rs.60,345,536/-
Excess	(+)	Rs. 434,536/-
Percentage		0.73%

30.01.2015: The Department explained that bulk of the allocated funds had been fully utilized, however, excess expenditure against certain sub-heads was incurred due to revision of pay scales by the Government.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for not getting the funds re-appropriated and warnings be issued to the responsible officers/officials. It was further directed/recommended that excess expenditure be got condoned by the Finance Department.

The items were conditionally settled subject to above directions.

3. Grant No. PC22036 (036) Development: (All Voted) Pages 562 & 563 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others
LE4311 Others

Report of PAC-II (2011-12)

Final Grant		Rs.22,024,000/-
Actual Expenditure		Rs.18,235,540/-
Saving	(-)	Rs. 3,788,460/-
Percentage		17.20%

30.01.2015: The Department explained that funds had lapsed because scope of work was changed and an addendum was signed with the contractor. Moreover, surrender statement was not approved by the Finance Department.

The explanation of the Department was accepted and **item was settled.**

- (ii) 04 Economic Affairs
044 Mining & Manufacturing
0442 Mining
044201 Mining of Mineral Resources Other Than Mineral
LE4312 Provincial of Wholesale Drinking Water

Final Grant		Rs.25,868,000/-
Actual Expenditure		Rs.25,709,368/-
Saving	(-)	Rs. 158,632/-
Percentage		0.61%

30.01.2015: The Department explained that there was minor saving against various ADP schemes and requested for settlement of the item.

The **item was accordingly settled.**

4. Grant No. PC21022 (022) Industries: (All Voted) Pages 929 to 938 of Appropriation Accounts for the year 2011-12

- 04 Economic Affairs
044 Mining & Manufacturing
0442 Mining
044201 Mining of Mineral Resources Other Than Mineral
LW4008 Regional Establishment

Final Grant		Rs.67,036,000/-
Actual Expenditure		Rs.65,429,388/-
Saving	(-)	Rs. 1,606,612/-
Percentage		2.40%

30.01.2015: The Department explained that saving had occurred because several posts were lying vacant and lesser expenditure was made on account of utility bills.

The explanation of the Department was accepted and **the item was settled.**

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

1. Para No.8.2.1 Page 90 of Audit Report for the year 2011-12, Comments on Audited Accounts

(i) 8.2.1.1 Page 90 of Audit Report for the year 2011-12, Working results

30.01.2015: The Department explained that requisite accounts had been furnished with some delay on the part of Chartered Accountants.

The Committee **settled the para** with the directions/recommendations that SOPs be devised for timely submission of accounts and backlog should be cleared within 90 days. It was further directed/recommended that Finance Department should take necessary measure for pre-audit arrangement in the corporations across the Province.

(ii) 8.2.1.2 Page 90 of Audit Report for the year 2011-12, Working results

(iii) 8.2.1.3 Page 90 of Audit Report for the year 2011-12, Working results

30.01.2015: The Department explained that loss had increased because supply order was not issued by M/s Pak Steel Mills while cost of admin/production was increasing.

The Committee **settled the above paras** with the directions/recommendations that new venues be explored to avoid the losses in future.

(iv) 8.2.1.4 Page 91 of Audit Report for the year 2011-12, Working results

30.01.2015: The Department explained that recovery was outstanding against S & GAD and Environmental Protection Department and hectic efforts were being made for the purpose.

The Committee directed/recommended that a reference for recovery be moved to the Finance Department who must ensure recovery of outstanding dues from the concerned Departments within 60 days.

The **para was kept pending.**

(v) 8.2.1.5 Page 91 of Audit Report for the year 2011-12, Working results

30.01.2015: The Department explained that current ratio of PMDC had been improved in past years but it was effected due to interest liabilities.

The Committee **settled the para** with the directions/recommendations that Corporation should be revamped to provide guidelines to the private sector.

(vi) 8.2.1.6 Page 91 of Audit Report for the year 2011-12, Working results

30.01.2015: The Department explained that physical verification of assets had been conducted by the chartered accountants which had also been got verified by Audit.

On the recommendation of Audit, **the para was settled.**

Report of PAC-II (2011-12)

(vii) 8.2.1.7 Page 91 of Audit Report for the year 2011-12, Working results

30.01.2015: The Department explained that matter regarding interest receivable from Pakistan Steel had been referred to Inter Provincial Coordination Committee and meeting was still awaited.

The para was kept pending.

(viii) 8.2.1.8 Page 91 of Audit Report for the year 2011-12, Working results

30.01.2015: The Department explained that partial recovery had been effected and efforts were being made for balance recovery from the delinquent person.

The para was reduced to the extent of recovery verified by Audit and **its remaining portion was kept pending** for balance recovery within 90 days.

(ix) 8.2.1.9 Page 91 of Audit Report for the year 2011-12, Working results

30.01.2015: The Department explained that deposits pointed out by Audit, were actually payments made by PUNJMIN to other departments and facts had been got verified by Audit.

On the recommendation of Audit, **the para was settled.**

(x) 8.2.1.10 Page 91 of Audit Report for the year 2011-12, Working results

30.01.2015: The Department explained that an interest of Rs.27 million had been earned during 2008-09 which had been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that funds should be utilized for uplift of the corporation.

2. Para No.8.3.1.1 Page 92 of Audit Report for the year 2011-12, Irregular payment of insurance premium – Rs. 0.521 million

30.01.2015: The Department explained that insurance was made on better rates, however, case for ex-post facto sanction of the expenditure had been moved for approval of the competent authority.

The Committee **conditionally settled the para** subject to ex-post facto sanction by the Finance Department. It was also directed/recommended that relevant rules should also be reviewed.

3. Para No.8.3.1.2 Page 93 of Audit Report for the year 2011-12, Allotment of Salt Mine without open tender and loss due to non completion of production target – Rs. 1.916 million

30.01.2015: The Department explained that as per decision of SDAC, an inquiry was conducted into the matter whereby it was concluded that no irregularity was committed and PPRA rules were not fully applicable in 2009.

The Committee was not satisfied with explanation of the Department and directed/recommended that an inquiry should be conducted by the PAO to fix responsibility for the lapse under intimation to the PAC.

The **para was kept pending**.

4. Para No.8.3.1.3 Page 94 of Audit Report for the year 2011-12, Irregular purchase of durable goods/machinery and equipment during ban period – Rs. 2.286 million

30.01.2015: The Department explained that Board of Directors had approved the expenditure but a clarification had been sought from the Finance Department regarding competency of the BoD.

The Committee **conditionally settled the para** subject to regularization of the expenditure by the Finance Department.

5. Para No.8.3.1.4 Page 95 of Audit Report for the year 2011-12, Irregular purchase of trolley and accessories without open competition – Rs. 0.727 million

30.01.2015: The Department explained that as per decision of SDAC, an inquiry was conducted into the matter whereby it was concluded that no irregularity was committed and purchases from the local markets at manufacturer rates.

The **para was kept pending** for verification of departmental contention by Audit to ascertain that no violation of financial rules was committed.

6. Para No.8.3.1.5 Pages 95 & 96 of Audit Report for the year 2011-12, Irregular expenditure on civil work without calling tender – Rs. 0.500 million

30.01.2015: The Department explained that as per decision of SDAC, an inquiry was conducted into the matter whereby it was concluded that no irregularity was committed.

The Committee directed/recommended that an inquiry be conducted by the PAO to thrashout the matter. Meanwhile, third party validation of the work be got conducted to ascertain that the expenditure was actually incurred at site.

The **para was kept pending**.

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7. **Para No.8.3.1.6 Pages 96 & 97 of Audit Report for the year 2011-12, Non recovery of penalty from contractor due to non achievement of targets – Rs.3.211 million**

8. **Para No.8.3.1.7 Pages 97 & 98 of Audit Report for the year 2011-12, Production loss due to non achievement of target by coal contractor – Rs. 1.970 million**

30.01.2015: The Department explained that PUNJMIN did not agree with concept of creating slabs of targets because the targets were fixed keeping in view professionally calculated variables. It was added that penalties had been recovered from the contractors.

The **paras were kept pending** for verification of requisite record by Audit.

9. **Para No.8.3.1.8 Pages 98 & 99 of Audit Report for the year 2011-12, Irregular repair and maintenance of vehicle – Rs. 0.235 million**

30.01.2015: The Department explained that inquiry against Mr. Basharat-Ullah Amjid, Ex-Secretary PUNJMIN had been dropped by the Anti-Corruption Establishment due to his death.

The **para was conditionally settled** subject to write off sanction of the loss by the Finance Department.

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

- 1. Para No.13.4.1 Pages 302 & 303 of Audit Report for the year 2011-12, Non-maintenance of record in support of expenditure – Rs.2.896 million**

AIR No. 3 & 4, D.G. Mines & Minerals, Lahore

30.01.2015: The Department explained that voluminous record was involved in Audit observation which pertained to expenditure over 4 years. However, a departmental inquiry was conducted into the matter and outstanding amount had been recovered. It was added that disciplinary action had been taken against the incumbents.

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

- 2. Para No.13.4.2 Page 303 of Audit Report for the year 2011-12, Un-authorized purchase of Vehicles/Motorcycles – Rs.2.344 million**

AIR No. 1, Deputy Director Mines & Minerals, Lahore Region, Lahore

30.01.2015: The Department explained that expenditure was incurred with approval of the Governor as Chief Minister was not in office during June 2000. It was added that advance drawal of expenditure was sanctioned by the Finance Department.

The representative of Finance Department endorsed the departmental contention.

The Committee **settled the para** subject to verification of Finance Department's sanction.

- 3. Para No.13.4.3 Page 304 of Audit Report for the year 2011-12, Unauthorized expenditure due to sanction beyond the permissible limit – Rs.1.904 million**

AIR No. 6, Director General, Mines & Minerals, Govt. of the Punjab Lahore

30.01.2015: The Department explained that stationery was purchased over a period of two years after inviting quotations as per requirements of the Department.

Audit contented that expenditure was split up apparently to avoid the sanction of higher authority.

The Committee directed/recommended that Finance Department should probe into the matter and report be submitted to the PAC within 30 days.

The para was kept pending.

Report of PAC-II (2011-12)

4. **Para No.13.4.4 Page 305 of Audit Report for the year 2011-12, Unauthorized expenditure due to sanction thereof under irrelevant power of delegation – Rs.1.178 million**
-

AIR No. 2, Mines Labour Welfare Commissioner, Lahore

30.01.2015: The Department explained that expenditure had been rightly sanctioned with in the competency of concerned officers after inviting tenders.

The Committee directed/recommended that matter be examined by the Finance Department and if required, expenditure be got regularize by the competent authority.

The para was kept pending.

5. **Para No.13.4.5 Page 306 of Audit Report for the year 2011-12, Unauthorized purchase of air conditioners – Rs.158,100/-**
-

AIR No. 5, Mines Labour Welfare Hospital, Khushab

30.01.2015: The Department explained that air conditioners were installed in compliance with directions of the Chief Minister Punjab to improve quality of health care for patients.

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

6. **Para No.13.4.6 Page 307 of Audit Report for the year 2011-12, Overpayment on account of inadmissible allowances to regularized contract employees – Rs.265,342/-**
-

AIR No. 7, Deputy Director Mines & Minerals, Lahore Region, Lahore

7. **Para No.13.4.7 Page 308 of Audit Report for the year 2011-12, Loss due to less recovery of income tax at source – Rs.80,975/-**
-

AIR No. 2, Secretary, Mines & Minerals, Lahore

30.01.2015: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

The Committee settled the paras with the directions/recommendations that warning be issued to the concerned DDO.

Social Welfare, Women Development & Bait-ul-Maal Department

PLANNING & DEVELOPMENT

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Planning & Development Department in its meeting held on 25.11.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Pages 569 & 570 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
015 General Service
0152 Planning Service
015201 Planning

LQ4068 Planning & Development Department

Final Grant		Rs.145,009,000/-
Actual Expenditure		Rs.178,049,152/-
Excess	(+)	Rs. 33,040,152/-
Percentage		22.78%

25.11.2015: The Department explained that excess expenditure had been incurred due to revision of pay scales by the Government.

The Committee observed that there was excess expenditure against the sub-heads of Pay & Allowances while there was huge saving against other sub-heads. The Committee therefore, directed/recommended that an inquiry be conducted to fix responsibility for the lapse and then, excess expenditure be got condoned by the Finance Department.

The **item was conditionally settled** subject to above directions/recommendations.

- (ii) 01 General Public Service
015 General Service
0152 Planning Service
015201 Planning

LQ4772 Director General Monitoring & Evaluation, P. & D. Department

Final Grant		Rs.16,913,000/-
Actual Expenditure		Rs.16,064,260/-
Saving	(-)	Rs. 848,740/-
Percentage		5.02%

25.11.2015: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A011-2 had been incurred due to recruitment of new staff.

The Committee **settled the item** with the directions that such lapses should strictly be avoided in future.

2. Grant No. PC21023 (023) Miscellaneous Departments Page 571 of Appropriation Accounts for the year 2011-12

01 General Public Service
015 General Service
0153 Statistics
015301 Statistics
LQ4238 Bureau of Statistics

Final Grant		Rs.124,200,000/-
Actual Expenditure		Rs.122,234,749/-
Saving	(-)	Rs. 1,965,251/-
Percentage		1.58%

25.11.2015: The Department explained that there was nominal saving against various sub-heads while excess expenditure against the sub-head A011-1 (Pay of Officer) had been incurred due to revision of pay scales by the government.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for excess/saving against various sub-head and excess expenditure be got regularized by the Finance Department.

Subject to above directions, **the item was conditionally settled.**

3. Grant No. PC21031 (031) Miscellaneous (All Voted) Pages 572 to 574 of Appropriation Accounts for the year 2011-12

(i) 01 General Public Service
015 General Service
0152 Planning Service
015201 Planning
LQ4286 Planning & Development Department

Final Grant		Rs.25,938,000/-
Actual Expenditure		Rs.28,246,787/-
Excess	(+)	Rs. 2,308,787/-
Percentage		8.90%

25.11.2015: The Department explained that excess expenditure had been incurred due to revision of pay scales by the government while requisite funds, demanded in 2nd statement of excesses & surrenders, were not granted by the Finance Department.

The Committee directed/recommended that Finance Department should thrash out the reasons for non-provision of requisite funds and excess expenditure be got condoned by the competent authority.

The item was conditionally settled subject to above directions.

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4. Grant No. PC22036 (036) Development: (All Voted) Pages 575 to 578 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014105 Establishment of Project Implementation
LE4314 Establishment of Project Implementation

Final Grant		<i>Nil</i>
Actual Expenditure		Rs.5,349,884/-
Excess	(+)	Rs.5,349,884/-
Percentage		100.00%

- (ii) 10 Social Protection
107 Administration
1071 Administration
107106 Dera Program Local Government
LE4353 Dera Program Local Government

Final Grant		<i>Nil</i>
Actual Expenditure		Rs.16,567,530/-
Excess	(+)	Rs.16,567,530/-
Percentage		100.00%

25.11.2015: The representative of Accountant General Punjab apprised that reconciliation of budget and expenditure figures was required in case of above items.

The **items were kept pending** for reconciliation within 30 days.

- (iii) 01 General Public Service
014 Transfers
0141 Transfers (Inter-Governmental)
014110 Others
LE4315 Others

Final Grant		Rs.2,469,920,000/-
Actual Expenditure		Rs. 303,663,004/-
Saving	(-)	Rs.2,166,256,996/-
Percentage		87.71%

25.11.2015: The Department explained that excess expenditure against the sub-heads of pay & allowances had been incurred due to revision of pay & allowances while saving against the sub-head A05 had been depicted because it reflected the major share of foreign donors which was never released.

The Committee directed the Finance Department to expedite the report of Special Committee appointed by the PAC to resolve the issue of foreign funded projects. It was further directed that accounts be reconciled and excess expenditure be got regularized by the Finance Department.

The item was kept pending.

- (iv) 01 General Public Service
015 General Service
0152 Planning Services
015201 Planning
LE4316 Planning

Final Grant		Rs.2,018,756,000/-
Actual Expenditure		Rs.1,149,106,392/-
Saving	(-)	Rs. 869,649,608/-
Percentage		43.08%

25.11.2015: The representative of Accountant General Punjab apprised that foreign donors share was involved in the subject item as well.

The **item was kept pending** till submission of requisite report by the Finance Department.

**5. Grant No. PC12043 (043) Loans to Municipalities/Autonomous Bodies etc.
Page 579 of Appropriation Accounts for the year 2011-12**

- 01 General Public Service
014 Transfers
0142 Transfers (Others)
014202 Transfer to Non-Financial Institutions
LE4402 Loan to Non-Financial Institutions

Final Grant	Rs.46,000,000/-
Actual Expenditure	Rs.46,000,000/-
Saving/Excess	<i>Nil</i>
Percentage	0.00%

The Department explained that all the allocated funds had been fully utilized.

The item was accordingly settled.

AUDIT PARAS (WORKS) FOR THE YEAR 2011-12

1. **Para No.5.4.1 Page 311 of Audit Report for the year 2011-12, Non-rescinding of contracts for execution of balance work at risk & cost – Rs.23.083 million**

DP No. 5 Managing Director, CDA, Bahawalpur

25.11.2015: The Department explained that escalation had been recovered from the contractor and three roads had been completed while remaining two works were still under revision.

The **para was kept pending** with the directions/recommendation that final bills be got verified by Audit.

2. **Para No.5.4.2 Page 312 of Audit Report for the year 2011-12, Irregular payment due to non-receipt of stores – Rs.6.069 million**

DP No. 7 Managing Director, Cholistan Development Authority, Bahawalpur

25.11.2015: The Department explained that a case for seeking condonation of the expenditure had already been moved to the Finance Department.

The **para was conditionally settled** subject to decision of the Finance Department.

3. **Para No.5.4.3 Pages 312 & 313 of Audit Report for the year 2011-12, Overpayment due to application of wrong factor – Rs.3.278 million**

DP No. 1 Managing Director, Cholistan Development Authority, Bahawalpur

25.11.2015: The Department explained that outstanding amount had already been recovered and disciplinary action had also been taken against the incumbent. However, final bill could not be produced as the work was still in progress.

The **para was conditionally settled** subject to verification of final bill by Audit.

4. **Para No.5.4.4 Pages 313 & 314 of Audit Report for the year 2011-12, Undue financial benefit due to non-obtaining of performance security – Rs.2.606 million**

DP No. 6 Managing Director, Cholistan Development Authority, Bahawalpur

25.11.2015: The Department explained that disciplinary proceedings had been initiated against the responsible officer which would be completed in due course.

The **para was conditionally settled** subject to finalization of disciplinary proceedings under intimation to the PAC.

5. Para No.5.4.5 Pages 314 & 315 of Audit Report for the year 2011-12, Overpayment due to allowing payment at higher rates – Rs.0.452 million

DP No. 3 Managing Director, Cholistan Development Authority, Bahawalpur

25.11.2015: The Department explained that outstanding dues had already been recovered and final bill would also be produced to Audit for verification.

The **para was conditionally settled** subject to verification of final bill by Audit.

6. Para No.5.4.6 Page 315 of Audit Report for the year 2011-12, Non-recovery of cost of dismantled material – Rs.0.302 million

DP No. 4 Managing Director, Cholistan Development Authority, Bahawalpur

25.11.2015: The Department explained that outstanding dues had already been recovered which had also been got verified by Audit.

The Committee **settled the para** with the directions/recommendations that warnings be issued to the incumbents responsible for overpayment.

7. Para No.5.4.7 Pages 315 & 316 of Audit Report for the year 2011-12, Overpayment due to non-deduction of road crust – Rs.0.301 million

DP No. 2 Managing Director, Cholistan Development Authority, Bahawalpur

25.11.2015: The Department explained that outstanding amount had been recovered and work had also been completed.

The **para was conditionally settled** subject to verification of final bill by Audit.

Social Welfare, Women Development & Bait-ul-Maal Department

PROVINCIAL ASSEMBLY OF THE PUNJAB

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts of the Provincial Assembly of the Punjab in its meeting held on 30.09.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-2011

1. Grant No. PC21010/PC24010 (010) General Administration Pages 593 to 595 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0111 Executive & Legislative Organs
011101 Parliamentary/Legislative Affairs
LQ4053 Provincial Assembly

Final Grant		Rs.340,946,000/-
Actual Expenditure		Rs.324,474,788/-
Saving	(-)	Rs. 16,471,212/-
Percentage		4.83%

30.09.2015: The Department explained that accounts had been reconciled with Accountant General Punjab and no excess expenditure was involved in case of above item. It was further stated that saving had occurred because sufficient amount had to be retained for upcoming sessions, committee meetings and delegations.

The explanation of the Department was accepted and **the item was settled.**

- (ii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0111 Executive & Legislative Organs
011101 Parliamentary/Legislative Affairs
LQ4054 Provincial Assembly (Charged)

Final Grant		Rs.4,001,000/-
Actual Expenditure		Rs.3,153,717/-
Saving	(-)	Rs. 847,283/-
Percentage		21.18%

30.09.2015: The Department explained that excess expenditure against the sub-head A011-1 and A011-2 had been depicted due to wrong booking of salary drawn by an official of Finance Department. It was added that saving had occurred mainly under the sub-head A03 because foreign visit of a delegation was cancelled due to Assembly Session.

The explanation of the Department was accepted and **the item was settled.**

- (iii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0111 Executive & Legislative Organs
011101 Parliamentary/Legislative Affairs
LQ4055 Provincial Assembly Department (Charged)

Final Grant		Rs.470,871,000/-
Actual Expenditure		Rs.451,904,337/-
Saving	(-)	Rs. 18,966,663/-
Percentage		4.03%

30.09.2015: The Department explained that accounts had been reconciled which revealed that excess expenditure against the sub-head A06 had been wrongly printed and as per factual position, there was saving against the said sub-head. It was submitted that saving had occurred due to retention of funds for unforeseen expenses.

The explanation of the Department was accepted and **the item was settled.**

Social Welfare, Women Development & Bait-ul-Maal Department

SERVICES & GENERAL ADMINISTRATION

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Services & General Administration Department in its meetings held on 29.09.2015 & 16.03.2016 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Pages 643 to 653 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0111 Executive & Legislative Organs
011103 Provincial Executive
LQ4059 Ministers

Final Grant		Rs.153,904,000/-
Actual Expenditure		Rs.141,448,509/-
Saving	(-)	Rs. 12,455,491/-
Percentage		8.09%

29.09.2015: The Department explained that saving had occurred because sufficient funds had to be retained for expected appointment of ministers/advisors, special assistants and parliamentary secretaries. It was further contended that excess expenditure against the sub-head A011-2 had been wrongly depicted in Appropriation Accounts book as no post of 'other staff' was paid out of the subject head.

The **item was conditionally settled** subject to verification of relevant record by the Accountant General office.

- (ii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0111 Executive & Legislative Organs
011104 Provincial Executive
LQ4061 Provincial Ombudsman

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.106,338,000/-	Rs.112,289,000/-
Actual Expenditure	Rs.109,017,701/-	Rs.109,017,701/-
Excess/Saving	(+) Rs. 2,679,701/-	(-) Rs. 3,271,299/-
Percentage	2.52%	

29.09.2015: The Department explained that excess expenditure had been wrongly depicted in working papers as supplementary funds provided by the Finance Department, had not been incorporated in final budget figures. As such, no expenditure was incurred beyond the allocated funds.

The **item was conditionally settled** subject to verification of departmental contention by Accountant General Office/Finance Department provided that no excess expenditure was involved in the subject item.

- (iii) 01 General Public Service
015 General Service
0151 Personal Service
015101 Establishment Services General Administration
LQ4063 Services and General Administration Department

Final Grant		Rs.1,006,660,000/-
Actual Expenditure		Rs. 995,730,358/-
Saving	(-)	Rs. 10,929,642/-
Percentage		1.09%

29.09.2015: The Department explained that there was nominal saving against various sub-heads, however excess expenditure against the sub-head A011-1 and A012-1 had been incurred on account of pay & allowances which was inevitable while excess expenditure against the sub-head A04 had been depicted due to wrong booking by the office of Accountant General Punjab.

The Committee directed/recommended that excess expenditure should be got regularized by the Finance Department and matter regarding wrong booking should be reconciled with AG office. It was further directed that Finance Department should take remedial measures to avoid excess expenditure and ensure timely re-appropriation/reconciliation of accounts.

Subject to above directions/recommendations, the **item was conditionally settled.**

- (iv) 01 General Public Service
015 General Service
0151 Personal Service
015101 Establishment Services General Administration
LQ4090 Director General Protocol

Final Grant		Rs.51,212,000/-
Actual Expenditure		Rs.50,901,415/-
Saving	(-)	Rs. 310,585/-
Percentage		0.61%

29.09.2015: The Department explained that bulk of the allocated funds had been utilized and minor saving had occurred because sufficient funds had to be retained to meet any unforeseen expenses.

The explanation of the Department was accepted and **the item was settled.**

Report of PAC-II (2011-12)

- (v) 03 Public Order & Safety Affairs
031 Law Courts
0311 Law Courts
031101 Courts / Justice
LQ4091 Punjab Services Tribunal

Final Grant		Rs.41,957,000/-
Actual Expenditure		Rs.41,844,923/-
Saving	(-)	Rs. 112,077/-
Percentage		0.27%

29.09.2015: The Department explained that excess expenditure had been incurred due to revision of pay scales by the Government.

The Committee directed/recommended that an inquiry be conducted to thrash out the reasons for excess expenditure against various sub-heads and then, case for seeking condonation be moved to the Finance Department.

The **item was conditionally settled** subject to decision of the Finance Department.

- (vi) 01 General Public Service
011 Executive & Legislative Organs, Finance
0111 Executive & Legislative Organs
011110 General Commission & Enquiries
LQ4092 Public Service Commission

Final Grant		Rs.159,605,000/-
Actual Expenditure		Rs.157,136,617/-
Saving	(-)	Rs. 2,468,383/-
Percentage		1.55%

29.09.2015: The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A011-1 had been incurred due to payment to arrears on account of up-gradation of certain officers.

The Committee directed/recommended that timely re-appropriation of funds must be ensured in future. The **item was conditionally settled** subject to regularization of excess expenditure against the sub-head A011, by the Finance Department.

- (vii) 03 Public Order & Safety Affairs
032 Police
0321 Police
032108 Economic Crime Investigation
LQ4093 Anti Corruption Establishment

Final Grant		Rs.445,127,000/-
Actual Expenditure		Rs.427,654,302/-
Saving	(-)	Rs. 17,472,698/-
Percentage		3.93%

The Department explained that saving had occurred because some posts were lying vacant while excess expenditure against the sub-head A011-2 had been incurred due to posting/transfer of some officials.

The Committee directed/recommended that an inquiry be conducted to thrash out the fluctuation against the sub-heads of pay & allowances and then, excess expenditure be got regularized by the Finance Department.

The **item was conditionally settled** subject to above directions/recommendations.

- (viii) 03 Public Order & Safety Affairs
 032 Police
 0321 Police
 032108 Economic Crime Investigation

LQ4094 Special Judges Anti Corruption Courts

Final Grant		Rs.56,744,000/-
Actual Expenditure		Rs.56,169,580/-
Saving	(-)	Rs. 574,420/-
Percentage		1.01%

29.09.2015: The Department explained that saving had occurred due to some vacant posts while excess expenditure against the sub-head A012-1 had been incurred due to payment of arrears to a deceased Judge.

The explanation of the Department was accepted and the **item was settled**.

- (ix) 01 General Public Services
 015 General Services
 0151 Personal Services
 015101 Establishment Services & General Administration

LQ4504 VIP Flight Maintenance Operation Cell

Final Grant		Rs.78,032,000/-
Actual Expenditure		Rs.69,768,152/-
Saving	(-)	Rs. 8,263,848/-
Percentage		10.59%

29.09.2015: The Department explained that surplus funds could not be surrendered due to some clerical mistake while excess expenditure against the sub-heads A011-2 and A12 had also been incurred due to the same reason.

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The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

- (x) 01 General Public Services
015 General Services
0151 Personal Services
015101 Establishment Services & General Administration
LQ4507 Aviation Flight (RW)

Final Grant		Rs.119,634,000/-
Actual Expenditure		Rs.104,375,544/-
Saving	(-)	Rs. 15,258,456/-
Percentage		12.75%

29.09.2015: There was variation of figures between AG office and the Department in case of above item.

The **item was kept pending** for reconciliation of accounts within 30 days.

- (xi) 01 General Public Services
015 General Services
0151 Personal Services
015101 Establishment Services & General Administration
LQ5994 Public Policy & Change Management Wing S&GAD

Final Grant		<i>Nil</i>
Actual Expenditure		Rs.248,394/-
Excess	(+)	Rs.248,394/-
Percentage		100%

29.09.2015: The Department explained that excess expenditure had been incurred because budget was not released by the Finance Department.

The **item was conditionally settled** subject to condonation of excess expenditure by the Finance Department.

2. Grant No. PC21031 (031) Miscellaneous (All Voted) Pages 660 to 663 of Appropriation Accounts for the year 2011-12

- (i) 01 General Public Service
011 Executive & Legislative Organs, Financial
0111 Executive & Legislative Organs
011110 General Commission & Enquiries
LQ4284 Official Language Committee

Final Grant		Rs.7,353,000/-
Actual Expenditure		Rs.7,466,200/-
Excess	(+)	Rs. 113,200/-
Percentage		1.54%

29.09.2015: The Department explained that budget figures had not been correctly incorporated in Appropriation Book. As per factual position, there was excess expenditure of Rs.23,830/- only.

The Committee directed/recommended that accounts should be reconciled with AG office/Finance Department.

The **item was conditionally settled** subject to reconciliation/regularization of excess expenditure, if any.

- (ii) 01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial and Fiscal Affairs
011250 Others

LQ4285 Government Contribution to Group Insurance of Employees

Final Grant		Rs.43,773,000/-
Actual Expenditure		Rs.43,773,555/-
Excess	(+)	Rs. 555/-
Percentage		0.00%

29.09.2015: The Department explained that all the allocated funds had been fully utilized.

The **item was accordingly settled.**

- (iii) 01 General Public Service
019 Public Services not Elsewhere Define
0191 Public Services not Elsewhere Define
019120 Others

DQ4007 Miscellaneous Expenditure on Tribes in D.G. Khan

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.186,000/-	Rs.186,000/-
Actual Expenditure	<i>Nil</i>	Rs.181,873/-
Saving	(-) Rs.186,000/-	Rs. 41,271/-
Percentage	100%	

29.09.2015: There was variation of figures between AG office and the Department in case of above item.

The **item was kept pending** for reconciliation of accounts within 30 days.

- (iv) 01 General Public Service
019 Public Services not Elsewhere Define
0191 Public Services not Elsewhere Define
019120 Others

RQ4066 Miscellaneous Expenditure on Tribes in Rajanpur

Final Grant		Rs.67,000/-
Actual Expenditure		<i>Nil</i>
Saving	(-)	Rs.67,000/-
Percentage		100%

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29.09.2015: The Department explained that saving had occurred because no secret service or activity could be carried out.

The explanation of the Department was accepted and the **item was settled.**

3. Grant No. PC24045 (045) Privy Purses: Page 665 of Appropriation Accounts for the year 2011-12

01 General Public Service
019 General Public Services not Elsewhere Definable
0191 General Public Services not Elsewhere Definable
019120 Others

LQ4319 Maintenance Allowance to Ex-Rulers (Charged)

Final Grant	Rs.1,600,000/-
Actual Expenditure	Rs.1,600,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

29.09.2015: The Department explained that all the allocated funds had been fully utilized.

The **item was accordingly settled.**

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

- 1. Para No.14.4.1 Pages 314 & 315 of Audit Report for the year 2011-12, Doubtful drawl of public money – Rs. 211,881/-**

AIR No. 10 & 11 Chief Pilot VIP Flight Lahore

29.09.2015: The Department explained that payments had been made for two different work orders and no overpayment was involved. It was further contended that outstanding amount on account of double payment of custom duty had already been recovered which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

- 2. Para No.14.4.2.1 Pages 315 & 316 of Audit Report for the year 2011-12, Loss due to theft of vehicle – Rs.800,000/-**

AIR No. 07 Additional Chief Secretary Punjab, (MTO) Lahore – Rs.600,000/-

29.09.2015: The Department explained that stolen vehicle had been declared untraceable by the Police and a case for seeking write off sanction of the loss, had been moved to the Finance Department.

The **para was conditionally settled** subject to decision of the Finance Department.

- 3. Para No.14.4.2.2 Pages 315 & 316 of Audit Report for the year 2011-12, Loss due to theft of vehicle – Rs.800,000/-**

AIR No. 06 Director General Protocol, Lahore – Rs.200,000/-

29.09.2015: The Department explained that reserve price of the stolen vehicle had been recovered from the responsible official which could be verified by Audit.

The **para was conditionally settled** subject to verification of relevant record by Audit.

- 4. Para No.14.4.3 Pages 316 & 317 of Audit Report for the year 2011-12, Irregular/ unauthorized expenditure on printing and stationary – Rs.2.143 million**

AIR No. 2 C.M. Secretariat Punjab, Lahore

29.09.2015: The Department explained that a case for seeking regularization of the expenditure had already been moved to the Finance Department.

The **para was conditionally settled** subject to decision of the Finance Department within 30 days.

Report of PAC-II (2011-12)

5. **Para No.14.4.4 Page 318 of Audit Report for the year 2011-12, Loss to Government due to non adherence to Rules – Rs. 100,350/-**
-

AIR No. 25 Additional Chief Secretary Punjab, (MTO) Lahore

29.09.2015: The Department explained that government dues on account of private use of vehicles had already been collected and the same had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

6. **Para No.14.4.5 Page 319 of Audit Report for the year 2011-12, Non Recovery of penal /normal rent of – Rs. 279,853/-**
-

AIR No. 3 Punjab Service Tribunal Lahore

29.09.2015: The Department explained that actual recoverable amount came to Rs.197,710/- instead of subject amount out of which bulk amount had already been recovered and only RS.24,000/- was outstanding which would also be recovered at the earliest.

The **para was kept pending** for reconciliation of outstanding dues with the directions that its amount be reduced to the extent of recovery verified by Audit.

GENERAL OBSERVATIONS

16.03.2016: The Committee observed with great concern that the working papers had been submitted only few hours before the commencement of the meeting while notice of meeting was issued vide Assembly Secretariat letter No. PAP/PAC-II/2011-12/2014/03/1035 dated 12.02.2016. Subsequently, a DO letter No. PAP/PAC-II/11-12/2014/02/1496 dated 04.03.2016 was also issued.

The Public Accounts Committee-II took serious notice of the casual attitude of the concerned officers towards PAC business and observed that similar lapses had been noticed at the time of previous meetings. The Committee deferred consideration of business relating to Services & General Administration Department and directed/recommended that an inquiry be conducted by Additional Chief Secretary Punjab to fix responsibility non-submission of working papers and report be submitted to the Public Accounts Committee-II within 15 days.

**SOCIAL WELFARE,
WOMEN
DEVELOPMENT &
BAIT-UL-MAAL**

Social Welfare, Women Development & Bait-ul-Maal Department

The Committee examined the Accounts and Audit Paras of the Social Welfare, Women Development & Bait-ul-Maal Department in its meeting held on 28.05.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21031 (031) Miscellaneous (All Voted) Pages 700 to 704 and 1001 of Appropriation Accounts for the year 2011-12

- (i) 10 Social Protection
107 Administration
1071 Administration
107104 Administration

LQ4295 Directorate of Social Welfare Women Development and Bait-ul-Maal

Final Grant		Rs.43,116,000/-
Actual Expenditure		Rs.45,841,435/-
Excess	(+)	Rs. 2,725,435/-
Percentage		6.32%

28.05.2015: The Department explained that excess expenditure had been incurred on account of Pay & Allowances due to the revision of pay scales by the government.

The Committee directed/recommended that an inquiry be conducted to thrash out the matter and then, excess expenditure be got regularized by the Finance Department.

The **item was conditionally settled** subject to above direction/recommendations.

- (ii) 10 Social Protection
108 Others
1081 Others
108101 Social Welfare Measures

LQ4296 Social Services and Community Development

Final Grant		Rs.345,514,000/-
Actual Expenditure		Rs.333,184,211/-
Saving	(-)	Rs. 12,329,789/-
Percentage		3.57%

28.05.2015: The Department explained that saving had occurred because several posts were lying vacant while there was ban on recruitment. It was added that excess expenditure against the sub-head A011-2 had been incurred due to revision of pay scales and excess against the sub-head A09 occurred because demanded budget was not released by the Finance Department. It was assured that in case of Social Welfare Training Institute, inquiry would be conducted to fix responsibility for the lapse.

The **item was conditionally** settled subject to regularization of excess expenditure by the Finance Department.

2. Grant No. PC22036 (036) Development: (All Voted) Pages 705 & 706 of Appropriation Accounts for the year 2011-12

(i)	10	Social Protection
	108	Others
	1081	Others
	108101	<u>Social Welfare Measures</u>
	LE4318	<u>Social Welfare Measures</u>

Final Grant		Rs.50,121,000/-
Actual Expenditure		Rs.83,475,823/-
Excess	(+)	Rs.33,354,823/-
Percentage		66.55%

28.05.2015: The Department explained project had been handed over to the Women Development Department.

The **item was kept pending** for reconciliation of accounts with the concerned quarter.

(ii)	10	Social Protection
	108	Others
	1081	Others
	108101	<u>Social Welfare Measures</u>
	LE4319	<u>Social Welfare Measures</u>

Final Grant		Rs.32,977,000/-
Actual Expenditure		Rs. 6,581,251/-
Saving	(-)	Rs.26,395,749/-
Percentage		80.04%

28.05.2015: The Department explained that saving had occurred because several posts were lying vacant and reconciliation of accounts was also pending with the Planning & Development Department.

The **item was kept pending** for reconciliation of accounts with AG/Finance Department. It was also directed/recommended that an inquiry be conducted to thrash out the reasons for huge saving against the sub-head A03.

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

1. Para No.9.2.1.1 Page 101 of Audit Report for the year 2011-12, Comments on Audited Accounts

28.05.2015: The Department explained that audited accounts for the period 2006-07 to 2008-09 had been produced to Audit while accounts of subsequent years would be produced within 60 days. It was added that accounts of the last financial year were under compilation.

The Committee directed/recommended that accounts for the period 2009-10 to 2011-12 should be produced to Audit as per commitment in the meeting and PAO must ensure timely submission of accounts in future.

The para was kept pending.

2. Para No.9.2.2.1 Pages 101 & 102 of Audit Report for the year 2011-12, Unjustified disbursement of financial assistance Rs. 0.500 million

28.05.2015: The Department explained that financial assistance had been granted by the Administrative Committee of Punjab Bait-ul-Maal Council after due verification by the member of the council.

The para was conditionally settled subject to verification of record, showing competency of the Council, by Audit.

3. Para No.9.2.2.2 Pages 102 & 103 of Audit Report for the year 2011-12, Unjustified payment to NGO Anjuman-e-Khuddam-e-Rasool Allah Okara, by Punjab Bait ul Maal Council – 2.637 million

28.05.2015: The Department explained that funds had been released with approval of the Council and as per orders of Ameen, PBMC after verifying performance reports of the NGO.

The para was conditionally settled subject to verification of record, showing competency of the Council, by Audit.

SPECIAL EDUCATION

The Committee examined the Accounts of the Special Education Department in its meeting held on 26.11.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010 (010) General Administration Page 711 of Appropriation Accounts for the year 2011-12

09 Education Affairs And Services
094 Education Services No Definable By Level
0941 Education Services No Definable By Level
094101 School For Handicapped/Retarded Person
LQ4378 Special Education Department

Final Grant		Rs.20,426,000/-
Actual Expenditure		Rs.17,803,759/-
Saving	(-)	Rs. 2,622,241/-
Percentage		12.84%

26.11.2015: The Department explained that saving had occurred because several posts were lying vacant.

The Committee **settled the item** with the directions/recommendations that surplus funds should be timely surrendered in future.

2. Grant No. PC21015 (015) Education (All Voted) Page 712 of Appropriation Accounts for the year 2011-12

09 Education Affairs And Services
094 Education Services No Definable By Level
0941 Education Services No Definable By Level
094101 School For Special Children
LQ4148 Directorate of Special Education

Final Grant		Rs.360,778,000/-
Actual Expenditure		Rs.338,409,648/-
Saving	(-)	Rs. 22,368,352/-
Percentage		6.20%

26.11.2015: The Department explained that saving had occurred because several posts were lying vacant and budget under the sub-head A03 was released very late by the Finance Department. It was added that no claim for scholarship was received from any position holder and resultantly, the funds lapsed.

The explanation of the Department was accepted and **the item was settled**.

3. Grant No. PC22036 (036) Development: (All Voted) Page 713 of Appropriation Accounts for the year 2011-12

09 Education Affairs And Services
094 Education Services No Definable By Level
0941 Education Services No Definable By Level
094101 School For Handicapped/Retarded Person
LE4273 School For Handicapped/Retarded Person

Final Grant		Rs.75,507,000/-
Actual Expenditure		Rs.65,783,723/-
Saving	(-)	Rs. 9,723,277/-
Percentage		12.88%

26.11.2015: The representative of Account General Punjab informed that accounts had not been reconciled by the Department.

The **item was kept pending** for reconciliation of accounts within 7 days.

**TECHNICAL
EDUCATION &
VOCATIONAL
TRAINING
AUTHORITY**

The Committee examined the Accounts and Audit Paras of the Technical Education & Vocational Training Authority in its meetings held on 30.04.2015 & 26.09.2016 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21022 (022) Industries: (All Voted) Pages 380 to 387 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
044 Mining and Manufacturing
0441 Manufacturing
044101 Support For Industrial Development
LQ4219 Grant-in-Aid to TEVTA

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.5,753,881,000/-	Rs.5,753,881,000/-
Actual Expenditure	Rs.5,741,303,341/-	Rs.2,640,527,000/-
Saving (-)	Rs. 12,577,659/-	Rs.2,628,577,000/-
Percentage	0.22%	

30.04.2015: The representative of Accountant General Punjab informed that reconciliation of accounts was required in case of above item.

The item was kept pending for reconciliation of accounts within 15 days.

26.09.2016: The representative of Accountant General Punjab apprised that requisite reconciliation had not yet been carried out by the Department.

Finance Department apprised that budget against the sub-head A06 had not been depicted due to typographical mistake.

The Department explained that expenditure figures had been reconciled and excess expenditure against the sub-heads A011-1, 0A011-2 and A012-2 had been incurred due to revision of pay scales.

The Sub-Committee recommended to **conditionally settle the item** subject to reconciliation and regularization of excess expenditure by the Finance Department.

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

1. Para No.10.2.1.1 Page 105 of Audit Report for the year 2011-12, Working Results

30.04.2015: The Department explained that delay in submission of accounts had occurred due to frequent transfer/posting of the Chairman.

The Committee settled the para with the directions that timely submission of accounts must be ensured in future.

26.09.2016: The Department explained that requisite accounts had been submitted to Audit.

The Sub-Committee recommended to **settle the para** and desired that timely submission of accounts must be ensured in future.

2. Para No.10.2.1.2 Pages 105 & 106 of Audit Report for the year 2011-12, Financial Results

30.04.2015: The Department explained that decrease in income was due to discontinuation of self-finance scheme and facts had been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

3. Para No.10.2.1.3 Page 106 of Audit Report for the year 2011-12, Working Results

30.04.2015: The Department explained that investment policy had been approved by the Board of TEVTA and duly notified.

The Committee settled the para with the directions/recommendations that investment policy be got verified by Audit.

26.09.2016: The Department explained that record regarding adoption of Punjab Pension Fund investment policy had been produced to Audit for verification.

Finance Department apprised that refund of income tax should also be sought as per Pension Fund.

The Sub-Committee recommended to **settle the para** with the directions that necessary action be taken as per above advice of Finance Department.

4. Para No.10.2.1.4 Page 106 of Audit Report for the year 2011-12, Working Results

30.04.2015: The Department explained that remaining debts were receivable from government entities and matter had been taken up with concerned authorities.

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The Committee directed/recommended that a reference be moved to the Finance Department requesting it to expedite the recoveries as per directions/recommendations of PAC.

The para was kept pending.

26.09.2016: The Department explained that partial recovery had been effected and balance amount would also be recovered within the current financial year.

The Committee reduced the para to the extent of recovery verified by Audit and the **para was kept pending.**

5. Para No.10.2.1.5 Page 106 of Audit Report for the year 2011-12, Working Results

30.04.2015: The Department explained that investments had been made for better financial management against the liabilities, provisions and commitments and no extra investment was made.

Audit contended that surplus funds were being invested in short-term schemes without any long-term plans.

The Committee directed/recommended that matter regarding Audit observation should be presented for consideration of the TEVTA Board and decision thereon be reported to the PAC within 30 days.

The para was kept pending.

26.09.2016: The Department explained that matter of surplus funds had been presented before the Board and further action was taken accordingly.

The Sub-Committee recommended to **conditionally settle the para** subject to verification of relevant record by Audit.

6. Para No.10.2.1.6 Page 106 of Audit Report for the year 2011-12, Working Results

30.04.2015: The Department explained that development schemes could not be completed because funds amounting to Rs.1500 million only were released by the Finance Department against the annual demand of Rs.5000 million. It was further apprised that 24 schemes were completed during the current financial year and only 36 schemes were pending.

The Committee directed/recommended that TEVTA should demand non-lapseable funds from the Finance Department for completion of Development schemes and meanwhile, a Joint Committee headed by representative of Planning & Development Department and comprising representative each from Finance and TEVTA, should resolve the issue of pending schemes.

The **para was kept pending.**

7. Para No.10.2.1.7 Page 106 of Audit Report for the year 2011-12, Working Results

30.04.2015: The Department explained that increase in salaries had been approved by the competent authority and the same had been paid out of TEVTA's own resources.

The **para was conditionally settled** subject to verification of relevant record by Audit.

8. Para No.10.2.1.8 Page 107 of Audit Report for the year 2011-12, Working Results

30.04.2015: The Department explained that physical verification of assets had been got conducted through external auditors after slight delay and facts had been got verified by Audit.

The **para was settled** with the directions that timely verification of assets should be ensured in future.

9. Para No.10.2.1.9 Page 107 of Audit Report for the year 2011-12, Working Results

30.04.2015: The Department explained that separate assets registers were being maintained for each institution and the same had been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

10. Para No.10.2.1.10 Page 107 of Audit Report for the year 2011-12, Working Results

30.04.2015: The Department explained that funds involved in Audit observation were placed in PLA and transferred to government treasury for payments on account of development schemes which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

11. Para No.10.2.2.1 Pages 108 & 109 of Audit Report for the year 2011-12, Embezzlement of cash by ex-accountant of Government College of Technology (GCT), Railway Road – Rs.2.468 million

30.04.2015: The Department explained that case for embezzlement amounting to Rs.1.5 million had been proved and the matter for recovery was subjudice in Anticorruption Establishment. However, the matter regarding balance amount of Rs.0.9 million was being inquired.

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The Committee directed/recommended that inquiry regarding balance amount should be completed within 30 days and outstanding dues from all the defaulters should be effected as arrears of Land Revenue.

The **para was kept pending** for submission of progress report by the Department within 30 days.

12. Para No.10.2.2.2 Page 109 of Audit Report for the year 2011-12, Shortage of store items in Wood Working Center, Kot Addu – Rs.3.633 million

30.04.2015: The Department explained that as per departmental inquiry, recovery amounting to Rs.559,057/- had been imposed on the defaulter and he was dismissed from service. But the Punjab Service Tribunal ordered to reinstate him in service after recovery of outstanding dues. As such, amount of Rs.195,501/- had been recovered but the official expired and balance amount would be recovered from his pension.

The Committee expressed its concern on the fact that recoverable amount on account of shortage of stores had been reduced from Rs.3.633 million to Rs.559,057/- only and therefore, directed that matter should be referred to Member (Inquiries) S&GAD to thrash out the facts under intimation the PAC within 30 days. It was added that Member (Inquiries) should fix responsibility for the lapse and if the reduction in recoverable amount was unjustified, the concerned inquiry officer should be held responsible.

The **para was kept pending**.

13. Para No.10.2.2.3 Pages 110 & 111 of Audit Report for the year 2011-12, Shortage /misappropriation of hardware items in Government College of Technology (GCT), Lahore – Rs.1.247 million

30.04.2015: The Department explained that all the computers were physically available and relevant record had been produced to Audit.

The Committee directed/recommended that responsibility be fixed for not producing the record/stores to Audit Inspection Team and action be taken against the defaulters under intimation to the PAC within 30 days.

The **para was conditionally settled** subject to above directions and verification of record by Audit.

14. Para No.10.2.2.4 Pages 111 & 112 of Audit Report for the year 2011-12, Loss due to non-utilization of Kennedy Tool Kits – Rs.0.653 million

30.04.2015: The Department explained that tool kits were partially used in the Technical Training Institute Gujar Khan while surplus kits were transferred to other institutions and relevant record had been got verified by Audit.

On the recommendations of Audit, the **para was settled**.

15. Para No.10.2.2.5 Pages 112 & 113 of Audit Report for the year 2011-12, Wasteful expenditure due to non-operation of auto mechanic petrol trade – Rs.10.00 million

30.04.2015: The Department explained that building projects could not be timely completed by the C & W Department. Moreover, required instructors/staff could not be recruited due to ban imposed by the Government.

The Committee **conditionally settled the para** with the directions/recommendations that Finance Department should systemize the approval process of SNE within 30 days.

16. Para No.10.2.2.6 Pages 113 & 114 of Audit Report for the year 2011-12, Non-utilization of trade tools & equipments – Rs.3.279 million

30.04.2015: The Department explained that equipment had been provided by International Labour Organization and the same were being utilized in various institutions.

The Committee **settled the para** with the directions/recommendations that mechanism be devised for utilization of machinery & equipment and surplus items should be timely auctioned.

17. Para No.10.2.2.7 Pages 114 to 116 of Audit Report for the year 2011-12, Missing assets of Government College of Technology, Gujranwala – Rs.6.170 million

30.04.2015: The Department explained that assets were handed over to the Rachna College, Gujranwala as per order of the competent authority.

The Committee **settled the para** subject to verification of record regarding handling over of assets, by Audit.

18. Para No.10.2.2.8 Pages 116 & 117 of Audit Report for the year 2011-12, Loss due to theft of survey equipments – Rs.6.948 million

30.04.2015: The Department explained that an inquiry was ordered to thrash out the matter but the accused Ex-Principal got a stay order from the court. Meanwhile, the Chief Minister, Punjab had been requested for appointment of new inquiry officer.

The Committee directed/recommended that matter should be expedited and if necessary, legal assistance be sought from the Secretary, Law Department.

The **para was kept pending.**

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19. Para No.10.2.2.9 Pages 117 & 118 of Audit Report for the year 2011-12, Loss due to theft and shortage in Government College of Technology (GCT), Bahawalpur – Rs.0.529 million

30.04.2015: The Department explained that an FIR had been got registered with Police on account of theft but no progress could be made. It was added that pursuant to departmental inquiry, M/s. Valliant Security Services had been approached for recovery of outstanding dues.

The Committee directed/recommended that subject case should be referred to the Member (Inquires) S & GAD for investigation and report be submitted to the PAC within 90 days.

The para was kept pending.

20. Para No.10.2.2.10 Pages 118 & 119 of Audit Report for the year 2011-12, Wasteful expenditure on the procurement of trade items and their subsequent non-utilization – Rs.1.77 million

30.04.2015: The Department explained that equipment had been utilized for training under TSTP Programme and the concerned Principal, responsible for non-utilization of equipment earlier, had passed away. As such, no further action could be taken.

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

21. Para No.10.2.2.11 Pages 119 & 120 of Audit Report for the year 2011-12, Theft of Government Vehicles – Rs.1.768 million

30.04.2015: The Department explained that in case of Vehicle No.IDH.8728, Mst Shahida Habib, Section Chief P & D had been found responsible for unauthorized use of vehicle who was using the same on verbal directions of the then Chairperson TEVTA. However, she had deposited a sum Rs.105,131/- on account of book value of lost vehicle. In case of two other vehicles, it was stated that FIRs had been in lodged with Police.

The Committee directed/recommended that the cases regarding Vehicle No.IDH.8728 and RIF.1010 should be referred to Member (Inquiries) S & GAD for investigation under intimation to the PAC within 90 days while case regarding vehicle No.MLM.533 should be pursued vigorously.

The para was kept pending.

22. Para No.10.2.2.13 Pages 121 & 122 of Audit Report for the year 2011-12, Non-recovery from clients – Rs.16.828 million

30.04.2015: The Department explained that a sum of Rs.11.85 million had been recovered while Finance Department had been approached for balance recovery from various government departments.

The amount of para was reduced to the extent of recovery verified by Audit and the **para was kept pending** for balance recovery.

23. Para No.10.2.2.14 Pages 122 & 123 of Audit Report for the year 2011-12, Non-recovery of Sui charges from ex-students and colony residents – Rs.1.357 million

30.04.2015: The Department explained that total outstanding amount had been recovered which had also been got verified by Audit.

On the recommendations of Audit, the **para was settled**.

GENERAL DIRECTIONS

30.04.2015: On commencement of the meeting of the Public Accounts Committee-II held on 30.04.2015, Chief Operating Officer, Technical Education & Vocational Training Authority informed the Committee that Chairman, TEVTA was not feeling well; therefore, he might be allowed to represent the Department.

Under the provision of para 16.23(b) of the Punjab Budget Manual and the instructions issued from time to time on the subject, the Principal Accounting Officer of the concerned Department was required to attend the meeting personally and represent his Department but Chairperson, TEVTA absented himself without any intimation. Furthermore, the working papers had not been compiled in accordance with the prescribed format.

The Committee took serious notice of the casual attitude of the concerned officer of the Department towards the PAC business and desired that displeasure of the Committee may be conveyed to the concerned officer through the Chief Secretary Punjab.

Transport Department

TRANSPORT

The Committee examined the Accounts and Audit Paras of the Transport Department in its meeting held on 29.04.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21007 (007) Charges on Account of Motor Vehicles Act (All Voted) Page 719 of Appropriation Accounts for the year 2011-12

01 General Public Service
011 Executive & Legislative Organs, Financial
0112 Financial & Fiscal Affairs
011205 Tax Management (Customs, I.Tax, Excise) and Taxation Department

LQ4018 Route Permits of Vehicles

Final Grant		Rs.79,092,000/-
Actual Expenditure		Rs.77,829,348/-
Saving	(-)	Rs. 1,262,652/-
Percentage		1.60%

29.04.2015: The Department explained that saving had occurred because funds for newly created posts were received during the last quarter. As such, the same could not be utilized due to time constraints. It was added that excess expenditure against the sub-head A011-2 had been incurred due to transfer/posting of some employees.

The Committee directed/ recommended that a probe be conducted to thrash out the reasons for excess expenditure and it should be got regularized by the Finance Department.

Subject to above directions/recommendations, the **item was conditionally settled.**

2. Grant No. PC21010/PC24010 (010) General Administration Page 720 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045201 Transport Department

LQ4088 Transport Department

Final Grant		Rs.100,494,000/-
Actual Expenditure		Rs.101,654,201/-
Excess	(-)	Rs. 1,160,201/-
Percentage		1.15%

29.04.2015: The Department explained that excess expenditure had been incurred due to revision of pay scales while supplementary funds were received on 23.6.2012.

The Committee directed/recommended that accounts be reconciled with AG/ Finance Department.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

3. Grant No. PC22036 (036) Development: (All Voted) Page 721 of Appropriation Accounts for the year 2011-12

04 Economic Affairs
045 Construction & Transport
0452 Road Transport
045201 Transport Department
LE4297 Administration

Final Grant		Rs.80,163,000/-
Actual Expenditure		Rs.22,751,599/-
Excess	(-)	Rs.57,411,401/-
Percentage		71.62%

29.04.2015: The Department explained that saving had occurred because some posts were lying vacant. Moreover, an amount of Rs.53.680 million allocated for clearing liabilities under CNG Rickshaw scheme could not be utilized.

The explanation of the Department was accepted and **the item was settled.**

AUDIT PARAS (REVENUE RECEIPTS) FOR THE YEAR 2011-12

1. **Para No.4.4.1 Pages 71 & 115 of Audit Report for the year 2011-12; Non-realization of renewal fee from bus stands – Rs. 2.183/-**
-

1. **PDP No. 14315 Secretary, DRTA, Lahore – Rs. 215,000/-**
2. **PDP No. 14510 Secretary, DRTA, Muzaffar Garh – Rs. 140,000/-**
3. **PDP No. 14512 Secretary, DRTA, Kasur – Rs. 244,000/-**
4. **PDP No. 14513 Secretary, DRTA, Jhelum – Rs. 113,000/-**
5. **PDP No. 14527 Secretary, DRTA, Pakpattan – Rs. 146,000/-**
6. **PDP No. 14559 Secretary, DRTA, Okara – Rs. 30,000/-**
PDP No. 14559 Secretary, DRTA, Vehari – Rs. 81,000/-
7. **PDP No. 14654 Secretary, DRTA, Khanewal – Rs. 770,000/-**
8. **PDP No. 14776 Secretary, DRTA, Rahim Yar Khan – Rs. 72,000/-**
9. **PDP No. 14848 Secretary, DRTA, Gujranwala – Rs. 340,000/-**
10. **PDP No. 14897 Secretary, DRTA, T.T.Singh – Rs. 32,000/-**

2. **Para No.4.4.2 Pages 72 & 115 of Audit Report for the year 2011-12; Non-realization of government revenue due to non surrender/renewal of expired route permits – Rs. 1.608/-**
-

1. **PDP No. 14278 Secretary, PTA, Lahore – Rs. 166,000/-**
2. **PDP No. 14316 Secretary, DRTA, Lahore – Rs. 100,650/-**
3. **PDP No. 14509 Secretary, DRTA, Muzaffar Garh – Rs. 179,850/-**
4. **PDP No. 14511 Secretary, DRTA, Kasur – Rs. 282,950/-**
5. **PDP No. 14514 Secretary, DRTA, Jhelum – Rs. 65,350/-**
6. **PDP No. 14526 Secretary, DRTA, Pakpattan – Rs. 272,000/-**
7. **PDP No. 14560 Secretary, DRTA, Okara – Rs. 28,100/-**
PDP No. 14560 Secretary, DRTA, Vehari – Rs. 78,750/-
8. **PDP No. 14655 Secretary, DRTA, Khanewal – Rs. 61,100/-**
9. **PDP No. 14764 Secretary, DRTA, Rahim Yar Khan – Rs. 148,500/-**
10. **PDP No. 14849 Secretary, DRTA, Gujranwala – Rs. 64,000/-**
11. **PDP No. 14898 Secretary, DRTA, T.T.Singh – Rs. 160,600/-**

29.04.2015: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendations of Audit, **the paras were settled** with the directions/recommendations that SOPs be devised for timely renewal of permits.

Women Development Department

WOMEN DEVELOPMENT

The Committee examined the Accounts of the Women Development Department in its meeting held on 26.11.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21031 (031) Miscellaneous (All Voted) Pages 700 to 704 and 1001 of Appropriation Accounts for the year 2011-12

10 Social Protection
107 Administration
1071 Administration
107104 Administration

LW4189 Directorate of Women Development Punjab

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.12,837,000/-	Rs.12,837,000/-
Actual Expenditure	<i>Nil</i>	Rs.11,309,311/-
Saving (-)	Rs.12,837,000/-	Rs. 1,527,689/-
Percentage	100.00%	11.90%

26.11.2015: The representative of Account General Punjab informed that accounts had been reconciled and there was saving of Rs.1,527,689/- which was 11.90% of the final grant.

The Department explained that saving had occurred due to lesser expenditure on account of utilities and repair while excess expenditure against the sub-head A011-2 was inevitable for payment of salaries.

The **item was conditionally settled** subject to regularization of excess expenditure by the Finance Department.

**YOUTH AFFAIRS,
SPORTS,
ARCHAEOLOGY &
TOURISM**

The Committee examined the Audit Paras of the Youth Affairs, Sports, Archaeology & Tourism Department in its meeting held on 25.11.2015 and made the following recommendations:-.

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

1. Para No.11.2.1.1 Page 125 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that audited accounts had been produced for verification after slight delay because meeting of the Board was awaited. It was assured that accounts would be timely submitted in future.

The Committee **settled the para** with the directions/recommendations that proper calendar for submission of accounts should be prescribed by the Finance Department.

2. Para No.11.2.1.2 Pages 125 & 126 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that income had increased by 48% while loss in final accounts had been depicted due to increase in expenses on development and feasibility studies. As such, there was no abnormal increase in administrative expenses.

The Committee **settled the para** with the directions/recommendations that existing infrastructure of the Corporation should be strengthened to minimize the loss.

3. Para No.11.2.1.3 Page 126 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that matter was subjudice in the court after decision of the arbitrator who finalized the case after lapse of 8 years.

The Committee expressed its displeasure on departmental authorities for taking no action on account of huge delay in arbitration.

The **para was kept pending.**

4. Para No.11.2.1.4 Page 126 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that development grant figures had not been depicted correctly by Audit; however certain development projects could not be executed due to the various constraints. It was added that funds allocated for 'Beautification of Murree project' could not be utilized due to release of funds in the last fortnight of the financial year.

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

5. Para No.11.2.1.5 Page 126 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that utmost efforts were made to utilize the grants received from the government. However, in case of Bagh-e-Shaheedan, the funds were released during the last quarter of fiscal year which could not be utilized due to time constraints.

The Committee **settled the para** with the directions that warnings be issued to the incumbents responsible for lapse of funds in case of Bagh-e-Shaheedan.

6. Para No.11.2.1.6 Page 126 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that two special disbursement accounts were being maintained by the TDCP which were lapsable and funds were being utilized for intended purposes.

The Committee **settled the para** with the directions that Board of TDCP should improve the planning of development projects and rational demands for funds be made accordingly in future.

7. Para No.11.2.1.7 Pages 126 & 127 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that main objective of Tourism Development Corporation was to promote tourism instead of earning profit. It did not receive any grant from the government for its operational activities.

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

8. Para No.11.2.1.8 Page 127 of Audit Report for the year 2011-12, Working Results

25.11.2015: Audit apprised that observation contained in the subject para was duplication of an earlier observation.

The **para was accordingly deleted**.

9. Para No.11.2.1.9 Page 127 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that income of city tours was increasing and expenditure on sightseeing buses had also been incorporated under the same head of accounts.

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

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10. Para No.11.2.1.10 Page 127 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that expenditure on development and feasibility study was incurred from the grants received from the government while the projects of 'beautification of Murree', 'Bagh-e-Shaheedan', 'up-gradation of PIA Park' and 'Hiking track at Murree' were the property of PHA Rawalpindi and TMA Murree. As such, TDCP could not capitalize the expenses on these projects.

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

11. Para No.11.2.1.11 Page 128 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that professional charges were paid to the consultants and for feasibility study of certain projects.

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

12. Para No.11.2.1.12 Page 128 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that loss per share had increased on account of expenses for development of tourism.

The Committee was not satisfied with departmental explanation and directed/recommended that Finance Department should deploy some professional consultants to devise road map for TDCP and revamp the Corporation in order to promote the local tourism.

With the above directions/recommendations, **the para was settled.**

13. Para No.11.2.1.13 Page 128 of Audit Report for the year 2011-12, Working Results

25.11.2015: The Department explained that current ratio of TDCP was increasing and its assets were more than liabilities which had also been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

14. Para No.11.2.2.1 Pages 129 to 131 of Audit Report for the year 2011-12, Loss due to award of letter of intent to the highest bidder – Rs. 1.775 million and faulty purchase of diesel generator 550 KVA for Patriata Cable Car – Rs.1.875 million

25.11.2015: The Department explained that an inquiry had been conducted into the matter whereby it was concluded that lowest bids were rejected because those did not match with the requisite specifications. Moreover, the ATS panel was burnt due to load fluctuations.

The Director (Monitoring) Finance Department opined that violation of Purchase Manual had been committed in the subject case as purchase was made without observing the requisite codal formalities.

The Committee directed/recommended that PAO should refer the matter to CMIT for investigation and report to the PAC within 60 days.

The para was kept pending.

- 15. Para No.11.2.2.2 Pages 131 to 133 of Audit Report for the year 2011-12, Irregular award of contract to M/s. Artisans (Pvt) Limited for development of PIA Park, Murree – Rs.27.285 million and loss due to payment of fake bills to contractor – Rs. 6.841 million**
-

25.11.2015: The Department explained that funds had been provided under the non-development head of account, therefore, preparation of PC-I and approval of Planning & Development was not required in the subject case.

The Committee was not satisfied with explanation of the Department and directed/recommended that PAO should refer the matter to CMIT for investigation and fixation of responsibility for the loss. Meanwhile, Special Audit of TDCP should be conducted by the Director General Audit (Commercial), Lahore.

The para was kept pending.

- 16. Para No.11.2.2.3 Pages 133 & 134 of Audit Report for the year 2011-12, Overpayment of TDCP share to M/S Synergy Limited – Rs. 1.397 million**
-

25.11.2015: The Department explained that necessary action had been taken in respect of Audit observation and relevant record had also been got verified by Audit.

On the recommendation of Audit, **the para was settled.**

- 17. Para No.11.2.2.4 Pages 134 to 136 of Audit Report for the year 2011-12, Overpayment to the contractor of Project Beautification and Provision of Civil Amenities at Murree – Rs. 6.470 million**
-

25.11.2015: The Department explained that case against the contractor was under trial in the Anti-corruption Establishment.

The Committee directed/recommended that an inquiry be conducted by the PAO to fix responsibility for overpayment and disciplinary action should be taken against the responsible officers/officials under intimation to the PAC.

The para was kept pending.

ZAKAT & USHER

The Committee examined the Accounts of the Zakat & Usher Department in its meeting held on 25.11.2015 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21010/PC24010 (010) General Administration Page 733 of Appropriation Accounts for the year 2011-12

10	Social Protection
108	Others
1081	Others
108101	Social Welfare Measures
LQ4079	Zakat & Ushr Deptt.

Final Grant		Rs.19,774,000/-
Actual Expenditure		Rs.19,389,720/-
Saving	(-)	Rs. 384,280/-
Percentage		1.94%

25.11.2015: The Department explained that saving had occurred because some posts were lying vacant.

The Committee **settled the item** with the directions that proper explanation for excess/saving should be incorporated in working papers against each sub-head.

2. Grant No. PC21031 (031) Miscellaneous (All Voted) Pages 734 & 735 of Appropriation Accounts for the year 2011-12

(i)	08	Recreational, Culture and Religion
	084	Religious Affairs
	0841	Religious Affairs
	084105	Religious and Other Charitable Institute
	LQ4299	Headquarters Establishment

Final Grant		Rs.18,580,000/-
Actual Expenditure		Rs.20,971,677/-
Excess	(+)	Rs. 2,391,677/-
Percentage		12.87%

25.11.2015: The Department explained that excess expenditure had been incurred against the sub-heads of Pay & Allowances because demanded funds were not released by the Finance Department.

The Committee **settled the item** subject to regularization of excess expenditure by the Finance Department.

- (ii) 08 Recreational, Culture and Religion
084 Religious Affairs
0841 Religious Affairs
084105 Religious and Other Charitable Institute
LQ4300 District Establishment

Final Grant		Rs.93,053,000/-
Actual Expenditure		Rs.88,344,060/-
Saving	(-)	Rs. 4,708,940/-
Percentage		5.06%

25.11.2015: The Department explained that saving had occurred because several posts were lying vacant while excess expenditure against the sub-head A011-2 was incurred because requisite funds were not released by the Finance Department.

The **item was conditionally settled** subject to regularization of excess expenditure against the sub-head A011-2, by the Finance Department.

3. Grant No. PC22036 (036) Development: (All Voted) Page 736 of Appropriation Accounts for the year 2011-12

- 10 Social Protection
108 Others
1081 Others
108104 Zakat and Ushr
LE4326 Zakat and Ushr

Final Grant		Rs.152,956,000/-
Actual Expenditure		Rs.135,338,000/-
Saving	(-)	Rs. 17,618,000/-
Percentage		11.52%

25.11.2015: The Department explained that saving had occurred because a cheque amounting to Rs.7 million was not passed by the treasury office due to time constraints.

The Committee **settled the item** with the directions that timely utilization of funds should be ensured in future.

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**4. Grant No. PC12043 (043) Loans to Municipalities/Autonomous Bodies etc.
Page 737 of Appropriation Accounts for the year 2011-12**

01 General Public Service
014 Transfers
0142 Transfers (Others)
014202 Transfers to Non-Financial Institutions
LE4407 Transfer to Non-Financial Institutions

Final Grant	Rs.25,000,000/-
Actual Expenditure	Rs.25,000,000/-
Excess/Saving	<i>Nil</i>
Percentage	0.00%

25.11.2015: The Department explained that all the allocated funds had been utilized.

The item was accordingly settled.

**MONITORING &
IMPLEMENTATION
SUB-COMMITTEE
OF PAC-II**

The **Monitoring & Implementation Sub-Committee** discussed the Audit Paras of the Communication & Works Department in its meeting held on 31.07.2017 and made the following recommendations:-

AUDIT PARAS (WORKS) FOR THE YEAR 2011-12

1. Para No.2.4.1 Pages 13 to 18 of Audit Report for the year 2011-12, Loss due to execution of defective/damaged work – Rs.1096.026 million

(i) 2.4.1.3 DP No. 421 Executive Engineer, Provincial Highway Divisions, Lahore/Okara

31.07.2017: The Department explained that matter was still under arbitration.

The para was kept pending.

(ii) 2.4.1.4 DP No. 477 Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that the subject case had been moved to the Finance Department for seeking advice.

The Technical Advisor, Finance Department opined that provision of asphalt carpeting had been incorporated in the revised PC-I duly approved by the competent authority.

In view of opinion of the Finance Department, **the para was settled.**

2. Para No.2.4.2 Pages 18 to 24 of Audit Report for the year 2011-12, Non-recovery of loss due to risk and cost charges/security deposit – Rs.435.751 million

(i) 2.4.2.1 DP No. 8 Executive Engineer, Provincial Highway Division, Lahore

(ii) 2.4.2.2 DP No. 412 Executive Engineer, Provincial Highway Division, Lahore

31.07.2017: The Department explained that matter was still under investigation in NAB and outstanding dues would be recovered through NAB authorities. Meanwhile, charge sheets had been issued to the responsible officers and further action would be taken accordingly. Meanwhile, security deposit of the contractor had been adjusted in another work.

The Sub-Committee directed/recommended that disciplinary action against the responsible officers/officials should be finalized within 60 days under intimation to the PAC.

The paras were kept pending.

(iii) **2.4.2.5 DP No. 86 Executive Engineer, 5th Provincial Building Division, Lahore**

31.07.2017: The Department explained that an advice had been sought from the Finance Department and necessary action had been taken accordingly.

Finance Department endorsed the departmental contention in the meeting.

The explanation of the Department was accepted and **the para was conditionally settled** subject to verification of necessary action as per Finance Department's advice.

(iv) **2.4.2.7 DP No. 505 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

31.07.2017: The Department explained that concerned contractor had been black-listed but the case had been returned by the NAB. Thereafter, the case for recovery under Land Revenue Act had been moved to the Deputy Commissioner Jhang.

The **para was kept pending** for recovery of outstanding dues.

3. Para No.2.4.3 Pages 24 to 31 of Audit Report for the year 2011-12, Undue financial aid due to non-obtaining of performance security – Rs.300.830 million

(i) **2.4.3.3 DP No. 259 Executive Engineer, Provincial Highway Division, Okara**

31.07.2017: The Department explained that disciplinary action against the incumbents was under process.

Finance Department opined that regularization of matter was also required.

The **para was kept pending** with the directions/recommendations that case be referred to Finance Department for seeking regularization, after completion of disciplinary proceedings within 60 days under intimation to the PAC.

(ii) **2.4.3.6 DP No. 13 Executive Engineer, Provincial Highway Division, Lahore**

(iii) **2.4.3.7 DP No. 223 Executive Engineer, Provincial Highway Division, Lahore**

31.07.2017: The Department explained that a case for seeking condonation of the irregularity had been moved to the Finance Department.

The Sub-Committee expressed its displeasure on non-compliance of the previous directions of PAC and directed/recommended that responsibility be fixed for non-compliance of PAC directions since 3 years. Meanwhile, compliance report as per directions/recommendations of PAC dated 18.11.2014 should be submitted to the PAC within 60 days.

The **paras were kept pending**.

Report of PAC-II (2011-12)

4. Para No.2.4.4 Pages 31 to 36 of Audit Report for the year 2011-12, Undue financial benefit due to imbalanced rates – Rs.231.310 million

(i) 2.4.4.1 DP No. 430 Executive Engineer, Provincial Highway Division, Lahore and Okara

31.07.2017: The Department explained that matter regarding recovery was under trial in NAB.

The **para was kept pending** with the directions that record be produced to Audit for verification.

(ii) 2.4.4.3 DP No. 493 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that matter had been referred to the Finance Department for seeking clarification.

Finance Department opined that overpayment was involved in the subject case but the scheme had become unfunded later.

The **Sub-Committee settled the para** subject to issuance of warnings to the officers/officials responsible for overpayment.

(iii) 2.4.4.6 DP No. 221 Executive Engineer, Provincial Highway Division, Lahore

31.07.2017: Audit contended that financial statement had not prepared by the Department according to the Finance Department's format.

The Department explained that accounts would be produced as per requisite format.

The **para was kept pending** for submission of requisite financial statements within 30 days.

5. Para No.2.4.5 Pages 36 to 39 of Audit Report for the year 2011-12, Unjustified payment of price variation – Rs.129.122 million

(i) 2.4.5.2 DP No. 500 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that time extension had been granted by the Executive Engineer who had been authorized by the Department for the purpose.

Finance Department endorsed the departmental contention in the meeting.

The **para was accordingly settled.**

(ii) **2.4.5.3 DP No. 414(ii) & 423(ii) Executive Engineer, Provincial Highway Division, Lahore/Okara**

31.07.2017: The Department explained that time extension was granted to the contractor by the competent authority and price variation was allowed accordingly. It was added that no escalation was granted beyond the extended time.

Finance Department endorsed the departmental contention in the meeting.

The **Sub-Committee conditionally settled the para** subject to verification of departmental contention by Audit.

6. Para No.2.4.6 Page 40 of Audit Report for the year 2011-12, Irregular acceptance of performance security – Rs.105.949 million

DP No. 426 Executive Engineer, Provincial Highway Division, Lahore

31.07.2017: The Department explained that matter was still under investigation in NAB and outstanding dues would be recovered through NAB authorities. Meanwhile, charge sheets had been issued to the responsible officers and further action would be taken accordingly.

The Sub-Committee directed/recommended that disciplinary action against the responsible officers/officials should be finalized within 60 days under intimation to the PAC. The Sub-Committee further endorsed the contention of Finance Department that Bank Guarantee be obtained from the contractors, in future, instead of insurance bond.

The para was kept pending.

7. Para No.2.4.9 Pages 42 to 46 of Audit Report for the year 2011-12, Loss due to adoption of incorrect MRS input rates in technical estimate – Rs.63.285 million

(i) **2.4.9.1 DP No. 425 Executive Engineers, Highway Division, Lahore and Okara**

31.07.2017: The Department reiterated its explanation dated 18.11.2014 and stated that relevant record was available for verification.

The Sub-Committee expressed its displeasure on non-verification of record since long and **conditionally settled the para** subject to verification of relevant record within 15 days.

(ii) **2.4.9.4 DP No. 34 Executive Engineer, Provincial Highways Division, Lahore**

31.07.2017: The Department explained that matter had been re-examined and resultantly, outstanding dues would be recovered, as per Audit observation.

The para was kept pending.

Report of PAC-II (2011-12)

8. Para No.2.4.10 Pages 46 to 52 of Audit Report for the year 2011-12, Overpayment due to incorrect price variation/base rates – Rs.60.685 million

- (i) 2.4.10.1 DP No. 481 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that advice had been sought from the Technical Wing Finance Department and outstanding dues had been recovered accordingly. However, the scheme was lying unfunded, therefore, final bill could not be prepared. However, requisite certificate regarding recovery would be produced to Audit for verification.

The **para was conditionally settled** subject to verification of requisite certificate by Audit.

- (ii) 2.4.10.4 DP No. 471 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad
- (iii) 2.4.10.5 DP No. 478 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that outstanding dues had been recovered but the scheme was lying unfunded.

The **paras were conditionally settled** subject to verification of requisite certificate by Audit, regarding recovery.

9. Para No.2.4.11 Pages 52 to 56 of Audit Report for the year 2011-12, Irregular payment without carrying out work – Rs.59.074 million

- (i) 2.4.11.1 DP No. 475 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that disciplinary action had been taken against the incumbents as per recommendations of the inquiry officer.

The Sub-Committee accepted the explanation of the Department and **settled the para.**

- (ii) 2.4.11.2 DP No. 265 Executive Engineer, Provincial Highway Division, Okara

31.07.2017: The Department explained that actual outstanding amount had been recovered and acceptance letter was issued @ 12% above the technical sanction which could be verified by Audit.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

(iii) **2.4.11.3 DP No. 264 Executive Engineer, Provincial Highway Division, Okara**

31.07.2017: The Department explained that as per PAC directions dated 18.11.2014, relevant record had been got verified by Audit.

Audit contended that requisite instructions had not yet been issued by the Department.

The **Sub-Committee settled the para** with the directions/recommendations that requisite instructions be issued at the earliest.

(iv) **2.4.11.4 DP No. 170 Executive Engineer, Provincial Road Construction Division, Lahore**

31.07.2017: The Department explained that necessary action had been taken as per directions of previous directions of PAC and the same had been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

(v) **2.4.11.5 DP No. 486 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

31.07.2017: The Department explained that outstanding dues had been recovered but scheme involved in the Sub-Para No.37 was lying unfunded. Therefore, requisite certificate regarding recovery would be produced to Audit for verification.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

(vi) **2.4.11.6 DP No. 474 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

31.07.2017: The Department explained that all the relevant record was available for verification which could be verified by Audit.

The **para was conditionally settled** subject to verification of requisite record by Audit.

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- 10. Para No.2.4.12 Pages 56 & 57 of Audit Report for the year 2011-12, Undue financial aid due to not obtaining of performance/additional performance security – Rs.49.847 million**
-

DP No. 494 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that a probe had been conducted into the matter and as per findings thereon, disciplinary action would be taken against the responsible officers/officials.

The **para was conditionally settled** subject to finalization of disciplinary proceedings under intimation to the PAC.

- 11. Para No.2.4.15 Pages 59 to 65 of Audit Report for the year 2011-12, Loss due to incorrect application of rates – Rs.26.190 million**
-

- (i) **2.4.15.3 DP No. 201 Executive Engineer, Provincial Building Division, Gujranwala**
(ii) **2.4.15.4 DP No. 202 Executive Engineer, Provincial Building Division, Gujranwala**

31.07.2017: The Department explained that as per directions of PAC, rate analysis had been prepared and submitted for approval of the PAO and decision thereon was still awaited.

The **paras were kept pending** till decision of the PAO.

- 12. Para No.2.4.16 Pages 65 & 66 of Audit Report for the year 2011-12, Irregular grant of mobilization advance – Rs.25.80 million**
-

DP No. 497 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that a probe had been conducted into the matter and as per findings thereon, disciplinary action would be taken against the responsible officers/officials.

The **para was conditionally settled** subject to finalization of disciplinary proceedings under intimation to the PAC.

13. Para No.2.4.17 Pages 66 & 67 of Audit Report for the year 2011-12, Undue payment of secured advance without material brought at site – Rs.21.529 million

(i) 2.4.17.1 DP No. 417-ii Executive Engineer, Provincial Highway Division, Okara

31.07.2017: The Department explained that matter was still under arbitration.

The para was kept pending.

(ii) 2.4.17.2 DP No. 489 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that matter was under trial in NAB and Revenue Authorities had also been approached for recovery of outstanding dues from the contractor.

The para was kept pending.

14. Para No.2.4.20 Pages 70 & 71 of Audit Report for the year 2011-12, Unauthorized expenditure due to payment of unapproved item – Rs.11.449 million

DP No. 94 Executive Engineer, 5th Provincial Building Division, Lahore

31.07.2017: The Department explained that revised technical sanction had been accorded by the competent authority and accounts had been finalized which could be verified by Audit.

The para was conditionally settled subject to verification of departmental contention by Audit.

15. Para No.2.4.21 Pages 71 to 76 of Audit Report for the year 2011-12, Non-recovery due to de-escalation in the rates of material – Rs.9.046 million

(i) 2.4.21.2 DP No. 133 Executive Engineer, 3rd Provincial Buildings Division, Lahore

31.07.2017: The Department explained that total outstanding dues had been recovered which had been got verified by Audit.

Audit contended that verification of final bill was still awaited.

The Sub-Committee directed/recommended that requisite certificate regarding recovery be produced to Audit for verification.

The para was conditionally settled subject to above directions/recommendations.

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(ii) **2.4.21.5 DP No. 120 Executive Engineer, 2nd Provincial Building Division, Lahore**

31.07.2017: The Department explained that total outstanding dues had been recovered and warning had also been issued to the incumbents which had been got verified by Audit.

On the recommendation of Audit, **the para was settled.**

(iii) **2.4.21.7 DP No. 499 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

31.07.2017: The Department explained that outstanding dues had been recovered but the scheme was lying unfunded. However, requisite certificate regarding recovery would be produced to the Audit for verification.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

16. Para No.2.4.23 Pages 78 to 80 of Audit Report for the year 2011-12, Overpayment due to incorrect calculation – Rs.8.601 million

(i) **2.4.23.2 DP No. 262 Executive Engineer, Provincial Highway Division, Okara**

31.07.2017: The Department explained that as per PAC directions dated 18.11.2014, relevant record had been got verified by Audit.

Audit contended that requisite instructions had not yet been issued by the Department.

The **Sub-Committee settled the para** with the directions/recommendations that requisite instructions be issued at the earliest.

(ii) **2.4.23.3 DP No. 415 Executive Engineer, Provincial Highway Division, Okara**

31.07.2017: The Department explained that necessary action had been taken as per directions of previous directions of PAC and the same had been got verified by Audit.

On the recommendations of Audit, **the para was settled.**

(iv) **2.4.23.4 DP No. 484 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad**

31.07.2017: The Department explained that actual outstanding dues had been recovered and disciplinary action had also been taken against the incumbents.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

- 17. Para No.2.4.24 Pages 80 to 81 of Audit Report for the year 2011-12, Unauthorized expenditure due to incurrence more than releases – Rs.8.376 million**
-

DP No. 480 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that relevant appropriation accounts had been settled by the PAC which would be got verified by Audit.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

- 18. Para No.2.4.25.2 Pages 81 & 82 of Audit Report for the year 2011-12, Overpayment made for work done in violation of Job Mix Formula (JMF) – Rs.8.003 million**
-

DP No. 512 Executive Engineer, Provincial Highway Division, Okara

31.07.2017: The Department explained that matter was still under arbitration.

The **para was kept pending** with the directions/recommendations that disciplinary action should be taken against the officers/officials responsible for overpayment.

- 19. Para No.2.4.26.2 Pages 83 to 86 of Audit Report for the year 2011-12, Overpayment due to incorrect measurement – Rs.6.735 million**
-

DP No. 508 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that matter was under trial in NAB

The **para was kept pending**.

- 20. Para No.2.4.27.7 Pages 86 to 91 of Audit Report for the year 2011-12, Excess payment due to non-adjustment of dismantalled crust – Rs.6.438 million**
-

DP No. 504 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that outstanding dues had been recovered but the scheme was lying unfunded. However, requisite certificate regarding recovery would be produced to the Audit for verification.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

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21. **Para No.2.4.28 Pages 91 to 93 of Audit Report for the year 2011-12, Undue financial aid due to non-obtaining of additional bank guarantee and performance security – Rs.6.230 million**

DP No. 97 Executive Engineer, 5th Provincial Building Division, Lahore

31.07.2017: The Department explained that a probe had been conducted into the matter whereby it was concluded that necessary action had already been taken by the Department. Meanwhile, matter had been referred to the Finance Department for seeking clarification which was still awaited.

The **para was conditionally settled** to necessary action as per advice of Finance Department.

22. **Para No.2.4.30.1 Pages 94 to 97 of Audit Report for the year 2011-12, Excess payment due to excessive measurement – Rs.5.480 million**

DP No. 510 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that partial amount had been recovered while the case for balance amount had been referred to the Revenue Authorities.

The **para was kept pending** with the directions/recommendations that its amount be reduced to the extent of recovery verified by Audit.

23. **Para No.2.4.32 Pages 98 & 99 of Audit Report for the year 2011-12, Non-imposition of penalty due to delay in completion of work – Rs.4.247 million**

DP No. 491 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that matter had been moved to the Finance Department for seeking advice.

The Technical Advisor Finance Department opined that according to record produced by the Department, contractor had executed the work to extent of available funds. Thereafter, extension was granted by the competent authority due to practical constraints. As such, departmental contention was justified.

In view of the opinion of the Finance Department, the Committee **settled the para.**

24. Para No.2.4.33 Pages 99 & 100 of Audit Report for the year 2011-12, Overpayment due to excessive measurement – Rs.2.550 million

DP No. 420 Executive Engineer, Provincial Highway Division, Okara

31.07.2017: The Department explained that matter was still under arbitration.

The **para was kept pending** with the directions/recommendations that disciplinary action should be taken against the officers/officials responsible for overpayment.

25. Para No.2.4.35.1 Pages 102 to 104 of Audit Report for the year 2011-12, Excess payment due to excessive measurement and incorrect higher rate – Rs.1.928 million

DP No. 91 Executive Engineer, 4th Provincial Building Division, Lahore

31.07.2017: The Department explained that matter had been referred to the Finance Department for seeking clarification.

The Sub-Committee directed/recommended that responsibility be fixed for delay in compliance of the previous directions of the PAC and report be submitted to the PAC within 15 days.

The **para was kept pending**.

26. Para No.2.4.36 Pages 104 & 105 of Audit Report for the year 2011-12, Excess payment due to non-reduction in rate – Rs.1.836 million

DP No. 162 Executive Engineer, Provincial Highway Division, Lahore

31.07.2017: The Department explained that correct rate of bulk bitumen had been provided in the estimate and payment was made accordingly.

The **para was conditionally settled** subject to verification of requisite record by Audit.

27. Para No.2.4.37 Page 105 of Audit Report for the year 2011-12, Excess payment due to non-obtaining of invoices manufacturer certificates – Rs.1.093 million

DP No. 487 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that requisite certificate had been furnished by the manufacturer and test reports were also available for verification.

The **para was conditionally settled** subject to verification of departmental contention by Audit.

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- 28. Para No.2.4.38 Pages 106 & 107 of Audit Report for the year 2011-12, Overpayment due to extra carriage of material – Rs.0.650 million**
-

DP No. 198 Executive Engineer, 1st Provincial Building Division, Lahore

31.07.2017: The Department explained that total outstanding dues had been recovered which had also been got verified by Audit.

On the recommendation of Audit, **the para was settled.**

- 29. Para No.2.4.40 Page 108 of Audit Report for the year 2011-12, Excess payment due to excessive measurement – Rs.0.486 million**
-

DP No. 483 PAR JF Rd Executive Engineer, Provincial Highway Division, Faisalabad

31.07.2017: The Department explained that outstanding dues had been recovered and work had been completed satisfactorily which could be verified by Audit

The **para was conditionally settled** subject to verification of departmental contention by Audit.

Monitoring & Implementation Sub-Committee

The **Monitoring & Implementation Sub-Committee** discussed the Accounts and Audit Paras of the Home Department in its meeting held on 27.03.2017 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-2012

1. Grant No. PC21010/PC24010 (010) General Administration Pages 317 to 326 of Appropriation Accounts for the year 2011-12

- (i) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration

LQ4064 Home Department

Final Grant		Rs.212,083,000/-
Actual Expenditure		Rs.199,872,105/-
Saving	(-)	Rs. 12,210,895/-
Percentage		5.76%

- (ii) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration

LQ4095 Crises Management & Control Centre

Final Grant		Rs.2,731,000/-
Actual Expenditure		Rs.2,711,124/-
Saving	(-)	Rs. 19,876/-
Percentage		0.73%

- (iii) 03 Public Order and Safety Affairs
034 Prison Administration & Operation
0341 Prison Administration & Operation
034120 Others (Other Places of Detention & Co)

LQ4103 Reclamation & Probation Department

Final Grant		Rs.72,520,000/-
Actual Expenditure		Rs.71,902,372/-
Saving	(-)	Rs. 617,628/-
Percentage		0.85%

27.03.2017: The Department explained that in compliance with the PAC directions, the above excess expenditure involved in above items had been regularized by the Finance Department.

The Sub-Committee recommended **to settle the items.**

- (iv) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration
LQ4096 District Public Safety Commission

Final Grant		Rs.8,280,000/-
Actual Expenditure		Rs.4,490,471/-
Saving	(-)	Rs.3,789,529/-
Percentage		45.77%

27.03.2017: The Department explained that as per previous directions of the PAC, an inquiry had been ordered to thrash out the matter and the same would be finalized within 30 days.

The item was kept pending.

- (v) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration
LO4457 Directorate of Monitoring

Final Grant		Rs.77,916,000/-
Actual Expenditure		Rs.57,688,258/-
Saving	(-)	Rs.20,227,742/-
Percentage		25.96%

27.03.2017: The Department explained that budget had been allocated through a supplementary grant and responsibility could not be fixed for lapse of funds in the subject case.

The Sub-Committee expressed its concern that requisite inquiry report had not been submitted to the PAC, despite its directions given in the previous meetings.

The item was kept pending with the directions/recommendations that compliance of PAC directions be reported within 30 days.

- (vi) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration
LQ5362 Child Protection

Final Grant		Rs.205,683,000/-
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Report of PAC-II (2011-12)

Actual Expenditure		Rs.129,470,227/-
Saving	(-)	Rs. 76,212,773/-
Percentage		37.05%

27.03.2017: The Department explained that a probe had been conducted into the matter and resultantly, the concerned officer had been repatriated to his parent department.

The Sub-Committee recommended **to settle the item.**

2. Grant No. PC21012 (012) Jails and Convict Settlements (All Voted) Pages 327 to 332 of Appropriation Accounts for the year 2011-12

- (i) 03 Public Order & Safety Affairs
034 Prison Administration & Operation
0341 Prison Administration & Operation
034101 Jails & Convict Settlement
LQ4119 Central Jails

Final Grant		Rs.2,318,127,000/-
Actual Expenditure		Rs.2,266,998,638/-
Saving	(-)	Rs. 51,128,362/-
Percentage		2.21%

- (ii) 03 Public Order & Safety Affairs
034 Prison Administration & Operation
0341 Prison Administration & Operation
034101 Jails & Convict Settlement
LQ4120 District Jail

Final Grant		Rs.2,296,978,000/-
Actual Expenditure		Rs.2,296,008,837/-
Saving	(-)	Rs. 969,163/-
Percentage		0.04%

- (iii) 03 Public Order & Safety Affairs
034 Prison Administration & Operation
0341 Prison Administration & Operation
034101 Jails & Convict Settlement
LQ4122 Jails (Manufactures) Central Jails

Final Grant		Rs.61,373,000/-
Actual Expenditure		Rs.62,497,384/-
Excess	(+)	Rs. 1,124,384/-
Percentage		1.83%

27.03.2017: The Department explained that necessary action in respect of above items had been taken in compliance with previous directions of PAC and the same had been got verified by the Accountant General Office Punjab.

The Sub-Committee recommended **to settle the above items.**

3. Grant No. PC21013 (013) Police (All Voted) Pages 333 to 347 of Appropriation Accounts for the year 2011-12

- (i) 03 Public Order And Safety Affairs
032 Police
0321 Police
032102 Provincial Police

LQ4125 Direction

Final Grant		Rs.1,686,273,000/-
Actual Expenditure		Rs.1,538,628,653/-
Saving	(-)	Rs. 147,644,347/-
Percentage		8.76%

27.03.2017: The Department explained that in compliance with the PAC directions/recommendations, necessary instructions had been issued to the field formation.

The Sub-Committee recommended **to settle the item.**

- (ii) 03 Public Order And Safety Affairs
032 Police
0321 Police
032102 Provincial Police

LQ4127 District Police

Final Grant		Rs.48,463,706,000/-
Actual Expenditure		Rs.48,010,961,180/-
Saving	(-)	Rs. 452,744,820/-
Percentage		0.93%

27.03.2017: The Department explained that in compliance with previous directions of PAC, case for seeking regularization of excess expenditure against the sub-heads A011-1 and A011-2, had been moved to the Finance Department.

The **item was kept pending** with the directions/recommendations that Finance Department should decide the case within 30 days.

Report of PAC-II (2011-12)

- (iii) 03 Public Order And Safety Affairs
032 Police
0321 Police
032113 Other Civil Armed Forces

LQ4131 Punjab Constabulary

Final Grant		Rs.3,576,012,000/-
Actual Expenditure		Rs.3,417,288,857/-
Saving	(-)	Rs. 158,723,143/-
Percentage		4.44%

- (iv) 03 Public Order And Safety Affairs
032 Police
0321 Police
032150 Others

LQ4133 Police Supplied to Public Departments Private Bodies and Persons

Final Grant		Rs.216,018,000/-
Actual Expenditure		Rs.214,874,733/-
Saving	(-)	Rs. 1,143,267/-
Percentage		0.53%

27.03.2017: The Department explained that excess expenditure involved in the subject items had been got regularized by the Finance Department.

The Sub-Committee recommended **to settle the above items.**

- (v) 03 Public Order And Safety Affairs
032 Police
0321 Police
032103 Local Police

RQ4002 Border Military Police (Rajapur)

Final Grant		Rs.67,474,000/-
Actual Expenditure		Rs.62,524,101/-
Saving	(-)	Rs. 4,949,899/-
Percentage		7.34%

27.03.2017: It was observed that no departmental representative of the subject formation appeared in the meeting.

The Sub-Committee directed/recommended that PAO should take disciplinary action against the Commandant Boarder Military Police Rajunpur, under intimation to the PAC within 30 days.

The **item was kept pending.**

4. Grant No. PC21031 (031) Miscellaneous (All Voted) Pages 348 to 350 & 989 of Appropriation Accounts for the year 2011-12

- (i) 03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat/Administration
LQ4509 Rescue 1122 (Punjab Emergency Service)

Final Grant		Rs.1,920,853,000/-
Actual Expenditure		Rs.1,797,029,301/-
Saving	(-)	Rs. 123,823,699/-
Percentage		6.45%

27.03.2017: The Department explained that accounts had been reconciled with the office of Accountant General Punjab and saving had been depicted due to some wrong booking.

The Sub-Committee recommended **to settle the item.**

- (ii) 01 General Public Service
019 Public Services Not Elsewhere Define
0191 Public Services Not Elsewhere Define
019120 Others
RQ4066 Miscellaneous Expenditure on tribes in Rajanpur

Final Grant		Rs.67,000/-
Actual Expenditure		<i>Nil</i>
Saving	(-)	Rs.67,000/-
Percentage		100.00%

27.03.2017: It was observed that no departmental representative of the subject formation appeared in the meeting.

The Sub-Committee directed/recommended that PAO should take disciplinary action against the concerned officer, under intimation to the PAC within 15 days.

The **item was kept pending.**

5. Grant No. PC21032 (032) Civil Defence: (All Voted) Pages 351 & 352 of Appropriation Accounts for the year 2011-12

- 03 Public Order & Safety Affairs
033 Fire Protection
0331 Fire protection
033101 Administration
LQ4301 Administration

Report of PAC-II (2011-12)

	<u>AG Figures</u>	<u>Departmental Figures</u>
Final Grant	Rs.39,610,000/-	Rs.39,604,312/-
Actual Expenditure	Rs.40,468,421/-	Rs.39,598,624/-
Excess/Saving (+)	Rs. 858,421/-	(-) Rs. 5,688/-
Percentage	2.17%	0.014%

27.03.2017: The Department explained that accounts had been reconciled with the office of Accountant General Punjab and resultantly, there was saving to the tune of Rs.5,688/- only which was 0.014 % only.

The **item was kept pending** with the directions/recommendations that excess expenditure be got regularized by the Finance Department.

6. Grant No. PC22036 (036) Development: (All Voted) Pages 353 & 354 of Appropriation Accounts for the year 2011-12

03 Public Order and Safety Affairs
036 Administration of Public Order
0361 Administration
036101 Secretariat

LE4278 Secretariat Administration

Final Grant	Rs.1,419,814,000/-
Actual Expenditure	Rs.1,183,806,408/-
Saving (-)	Rs. 236,007,592/-
Percentage	16.62%

27.03.2017: The Department explained that accounts had been reconciled and excess expenditure against certain sub-heads had been depicted erroneously due to wrong booking. As per factual position, there was saving against the subject item which had occurred because salaries of newly recruited employees were delayed due to verification of requisite documents and other codal formalities.

The Sub-Committee recommended **to settle the item.**

AUDIT PARAS (CIVIL) FOR THE YEAR 2011-12

1. Para No.9.4.2 Pages 209 & 210 of Audit Report for the year 2011-12, Irregular payment of salaries through manual bills – Rs.1,067.825 million

- (i) 9.4.2.3 AIR No. 09 Central Jail, Gujranwala – Rs. 138,917,980/-
- (ii) 9.4.2.6 AIR No. 04 District Jail, Gujrat – Rs. 63,674,234/-
- (iii) 9.4.2.7 AIR No. 05 District Jail, Jhelum – Rs. 56,673,591/-
- (iv) 9.4.2.8 AIR No. 02 District Jail, Lahore – Rs. 42,227,348/-
- (v) 9.4.2.9 AIR No. 10 Central Jail, Rawalpindi – Rs. 39,921,405/-
- (vi) 9.4.2.11 AIR No.04 District Jail, Attock – Rs. 10,833,319/-

27.03.2017: The Department explained that cases regarding subject observations had already been referred to the Finance Department for seeking regularization.

The **paras were conditionally settled** subject to decision of the Finance Department within 30 days under intimation to the PAC.

2. Para No.9.4.3 Pages 211 & 212 of Audit Report for the year 2011-12, Irregular expenditure due to unauthorized rate contract – Rs.539.299 million

- (i) 9.4.3.1 AIR No. 06 District Jail, Attock – Rs. 223,503,602/-
- (ii) 9.4.3.2 AIR No. 01 District Jail, Gujrat – Rs. 106,497,112/-
- (iii) 9.4.3.4 AIR No. 01 District Jail, Jhelum – Rs. 71,507,092/-
- (iv) 9.4.3.5 AIR No. 04 District Jail, Faisalabad – Rs. 44,814,750/-
- (v) 9.4.3.6 AIR No. 06 Central Jail, Sahiwal – Rs. 9,377,856/-

27.03.2017: The Department explained that procurements related to the period prior to PPRA which had been made with approval of the competent authority.

Audit and Finance Department opined that departmental contention was not justified.

The Committee directed/recommended that procedural violation and expenditure involved in the subject observations be got regularized by the Finance Department.

The **paras were kept pending.**

- (vi) 9.4.3.3 AIR No. 08 Child Protection & Welfare Bureau, Lahore – Rs. 83,598,832/-

27.03.2017: The Department explained that a case for seeking regularization of expenditure had been moved to the Finance Department.

Report of PAC-II (2011-12)

Finance Department apprised that requisite inquiry report was still awaited from the Administrative Department.

The **para was kept pending** with the directions/recommendations that matter should be finalized within 7 days.

3. Para No.9.4.4.3 Pages 212 & 213 of Audit Report for the year 2011-12, Irregular mode of payment – Rs.49.561 million

AIR Nos. 06 District Jail, Jhelum – Rs. 3,857,888/-

27.03.2017: The Department explained that an inquiry had been conducted by the office of Director General Audit Punjab but inquiry report had not been received.

Audit apprised that requisite inquiry report had been submitted to the Department on 22.7.2016 wherein the concerned DDO had been held responsible for the lapse and disciplinary action had been recommended against him.

The Committee directed/recommended that matter be thrashed out by the Inspector General Prison and disciplinary action be taken against the officer/official who had received the inquiry report from the office of Director General Audit and report be submitted to the PAC within 7 days. Meanwhile, as per inquiry findings, disciplinary action against the responsible DDO should also be taken within 30 days.

The **para was kept pending**.

4. Para No.9.4.7 Pages 217 & 218 of Audit Report for the year 2011-12, Irregular purchase of dietary articles without calling tenders – Rs.2.735 million

AIR No. 8 District Jail, Faisalabad

27.03.2017: The Department explained that matter had been taken up with PPRA for seeking advice which was still awaited. It was added that procurement of dietary articles had been made from the previous contractor at old rates to ensure regular supply for the prisoners.

The Sub-Committee recommended **to settle the para** with the directions/recommendations that it should not be quoted as a precedent in future.

5. Para No.9.4.11 Pages 224 to 226 of Audit Report for the year 2011-12, Unlawful retention/deposit of public money out of consolidated fund – Rs.77.186 million

- (i) **9.4.11.1 AIR No. 01 Central Jail, Gujranwala – Rs. 14,000,500/-**
- (ii) **9.4.11.2 AIR No. 07 Central Jail, Sahiwal – Rs. 10,370,000/-**
- (iii) **9.4.11.3 AIR No. 01 Central Jail, Kot Lakhpat, Lahore – Rs. 10,020,000/-**
- (iv) **9.4.11.4 AIR No. 02 District Jail, Sheikhpura – Rs. 9,086,942/-**
- (v) **9.4.11.5 AIR No. 02 Central Jail, Rawalpindi – Rs. 7,400,000/-**

- (vi) 9.4.11.6 AIR No. 03 Central Jail, Lahore – Rs. 5,687,580/-
- (vii) 9.4.11.7 AIR No. 02 District Jail, Gujrat – Rs. 5,521,945/-
- (viii) 9.4.11.8 AIR No. 03 District Jail, Kasur – Rs. 3,975,000/-
- (ix) 9.4.11.9 AIR No. 03 District Jail, Lahore – Rs. 2,745,531/-
- (x) 9.4.11.10 AIR No. 01 District Jail, Multan – Rs. 2,582,504/-
- (xi) 9.4.11.11 AIR No. 02 District Jail, Faisalabad – Rs. 2,165,225/-
- (xii) 9.4.11.12 AIR No. 02 District Jail, Jhelum – Rs. 2,087,300/-
- (xiii) 9.4.11.13 AIR No. 05 District Jail, Attock – Rs. 974,406/-
- (xiv) 9.4.11.14 AIR No. 07 Central Jail, Faisalabad – Rs. 568,813/-

27.03.2017: The Department explained that Prison Foundation had been got approved by the Chief Minister Punjab and necessary notification had also been issued accordingly.

The Sub-Committee recommended **to settle the above paras.**

- (xv) 9.4.11.4 AIR No. 03 District Jail, Sheikhpura – Rs. 9,086,942/-

27.03.2017: The Department explained that case for seeking regularization had been moved to Finance Department and decision thereon was still awaited.

The **para was kept pending** with the directions/recommendations that Finance Department should finalize the case within 15 days under intimation to the PAC.

6. Para No.9.4.15 Pages 230 & 231 of Audit Report for the year 2011-12, Irregular purchase of dietary articles from un-approved contractor – Rs.4.833 million

AIR No. 7 District Jail, Faisalabad

27.03.2017: The Department explained that as per previous decision of PAC, the case had already been moved to the Finance Department and decision thereon was still awaited.

The **para was kept pending** till decision of the Finance Department.

7. Para No.9.4.23 Pages 243 to 246 of Audit Report for the year 2011-12, Overpayment of inadmissible allowances – Rs.27.888 million

- (i) 9.4.23.5 AIR No. 01 District Jail, Attock – Rs. 561,533/-

27.03.2017: The Department explained that bulk of the outstanding amount had been recovered while balance amount would also be recovered within 15 days.

The Sub-Committee recommended **to conditionally settle the para** subject to recovery of total outstanding dues and verification of requisite record by Audit.

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(ii) **9.4.23.6 AIR No. 07 Central Jail, Rawalpindi – Rs. 141,000/-**

27.03.2017: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The Sub-Committee recommended **to conditionally settle the para** subject to verification of requisite record by Audit.

8. Para No.9.4.28 Pages 251 & 252 of Audit Report for the year 2011-12, Non-recovery of outstanding dues of canteens – Rs.4.270 million

(i) **9.4.28.1 AIR No. 02 Central Jail, Gujranwala – Rs. 2,339,167/-**

27.03.2017: The Department explained that subject case was under trail in Anti-corruption Establishment.

The **para was kept pending** with the directions/recommendations that matter be pursued vigorously.

(ii) **9.4.28.3 AIR No. 02 & 4 District Jail, Multan – Rs. 537,500/-**

27.03.2017: The Department explained that Prison Foundation had been got approved by the Chief Minister Punjab and necessary notification had also been issued accordingly.

The Sub-Committee recommended **to settle the above para.**

9. Para No.9.4.31 Pages 255 & 256 of Audit Report for the year 2011-12, Loss due to non-recovery on account of risk and cost – Rs.2.569 million

AIR No. 9 Central Jail, Faisalabad

27.03.2017: The Department explained that in case of AP. No.3, the concerned contractor was absconding and efforts were being made for recovery of outstanding dues as arrears of Land Revenue Act.

Audit contended that Inspector General Prison was not competent to award rate contract.

The **AP. No. 3 was kept pending** for recovery of outstanding dues and regularization of procedural violation by the Finance Department.

In case of AP. No.9, the Department explained that actual outstanding amount of Rs.108,809/- had been recovered.

The **AP No.9 was kept pending** for reconciliation of recoverable amount with Audit.

Monitoring & Implementation Sub-Committee

The **Monitoring & Implementation Sub-Committee** discussed the Accounts and Audit Paras of the Housing, Urban Development & Public Health Engineering Department in its meetings held on 25.09.2017 & 26.09.2017 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21017 (017) Public Health Pages 102 to 107 of Appropriation Accounts for the year 2011-12

- (i) 06 Housing And Community Amenities
063 Water Supply
0631 Water Supply
063101 Administration
LQ4201 Chief Engineer (North Zone)

Final Grant		Rs.423,450,000/-
Actual Expenditure		Rs.388,656,290/-
Saving	(-)	Rs. 34,793,710/-
Percentage		8.22%

25.09.2017: The Department explained that as per recommendations of PAC, reconciliation of accounts had been carried out with Accountant General Punjab.

The Sub-committee accepted the explanation of department and **the item was settled.**

- (ii) 06 Housing And Community Amenities
063 Water Supply
0631 Water Supply
063101 Administration
LQ4202 Chief Engineer (South Zone)

Final Grant		Rs.361,398,000/-
Actual Expenditure		Rs.378,437,564/-
Excess	(+)	Rs. 17,039,564/-
Percentage		4.71%

25.09.2017: The Department explained that accounts had been reconciled and case for seeking condonation of excess expenditure had been moved to the Finance Department.

The **item was kept pending** for decision of the Finance Department within 30 days.

- (iii) 08 Recreational Culture And Religion
082 Cultural Services
0821 Cultural Services
082120 Others
LQ4541 Project Director Bagh-e-Jinnah PHA

Final Grant		Rs.70,338,000/-
Actual Expenditure		Rs.70,444,584/-
Excess	(+)	Rs. 106,584/-
Percentage		0.15%

25.09.2017: The Department explained that the necessary compliance had been made and excess expenditure had been got condoned from the Finance Department.

The Sub-Committee recommended **to settled the item.**

2. Grant No. PC21026 (026) Housing & Physical Planning (Voted) Pages 361 to 363 of Appropriation Accounts for the year 2011-12

- (i) 06 Housing & Community Amenities
062 Community Development
0621 Urban Development
062120 Others

LQ4538 Punjab Land Development Company

Final Grant		Rs.100,000,000/-
Actual Expenditure		Rs.100,000,000/-
Excess/Saving		<i>Nil</i>
Percentage		0.00%

25.09.2017: The Department explained that accounts had been reconciled with the office of Accountant General Punjab and all the allocated funds had been fully utilized.

The Sub-Committee accepted the departmental explanation and recommended **to settle the item.**

- (ii) 06 Housing & Community Amenities
061 Housing Development
0611 Housing Development
061101 Administration

LQ4275 Headquarter Establishment

Final Grant		Rs.63,746,000/-
Actual Expenditure		Rs.61,054,056/-
Saving	(-)	Rs. 2,691,944/-
Percentage		4.22%

25.09.2017: The Department explained that as per directions of PAC, an inquiry had been conducted to trash out the matter and excess expenditures had been got regularized from the Finance Department.

The Sub-Committee accepted the explanation of Department and recommended **to settle the item.**

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3. Grant No. PC22036 (036) Development (All Voted) Pages 364 to 367 of Appropriation Accounts for the year 2011-12

- (i) 06 Housing & Community Amenities
063 Water Supply
0631 Water Supply
063102 Works (Construction) & Operations
LE4281 Chief Engineer North PHE

Final Grant		Rs.3,174,140,000/-
Actual Expenditure		Rs.3,098,509,428/-
Saving	(-)	Rs. 75,630,572/-
Percentage		2.38%

25.09.2017: The Department explained that the case for regularization of excess expenditure had been submitted to the Finance department but decision thereon was still awaited.

The Sub-Committee **conditionally settled the item** subject to decision of the Finance Department within 30 days.

- (ii) 06 Housing & Community Amenities
063 Water Supply
0631 Water Supply
063102 Works (Construction) & Operations
LE4282 Chief Engineer South PHE

Final Grant		Rs.1,932,117,000/-
Actual Expenditure		Rs.1,967,368,538/-
Excess	(+)	Rs. 35,251,538/-
Percentage		1.82%

25.09.2017: The Department explained that the case for regularization of excess expenditures had been moved to the Finance Department.

The Sub-Committee **settled the item** subject to regularization of excess expenditure by Finance Department.

4. Grant No. PC12040 Town Development (All Voted) Page 368 of Appropriation Accounts for the year 2011-12

- 06 Housing & Community Amenities
061 Housing Development
0611 Housing Development
061102 Low Cost Housing
LE4200 Low Cost Housing

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Final Grant		Rs.281,015,000/-
Actual Expenditure		Rs.222,125,185/-
Saving	(-)	Rs. 58,889,815/-
Percentage		20.96%

25.09.2017: The Department explained that as per directions/recommendation of PAC, the entire grant had been reconciled with the Finance Department.

The Sub-Committee accepted the explanation of Department and recommended **to settle the item.**

AUDIT PARA (WORKS) FOR THE YEAR 2011-12

1. Para No.3.4.1 Page 119 of Audit Report for the year 2011-12, Non-clearance of long term liabilities – Rs.3,567.673 million

DP No. 161 Director Finance, WASA (FDA), Faisalabad

25.09.2017: The Department explained that matter regarding conversion of loans into grant had been taken up with the Finance Department and decision thereon was still awaited.

The para was kept pending.

2. Para No.3.4.2 Pages 119 & 120 of Audit Report for the year 2011-12, Non-recovery of building period penalty – Rs.344.566 million

(i) 3.4.2 (DLD-I) DP No. 288 Director Land Development UD-Wing LDA, Lahore

26.09.2017: The Department explained that the outstanding amount had been recovered which had also been got verified by Audit.

The explanation of Department was accepted and the Sub-Committee recommended to settle the para.

(ii) 3.4.2 (DLD-III) DP No. 288 Director Land Development UD-Wing LDA, Lahore

26.09.2017: The Department explained that partial recovery had been effected and balance outstanding amount would also be recovered at the earliest.

The Sub-Committee recommended to conditionally settle the para subject to complete recovery and its verification by Audit.

(iii) 3.4.2 (DLD-IV) DP No. 288 Director Land Development UD-Wing LDA, Lahore

26.09.2017: The Department explained that the issue involved in subject Audit observation was subjudice in the court.

The para was kept pending.

3. Para No.3.4.3 Pages 120 to 124 of Audit Report for the year 2011-12, Irregular grant and non-adjustment of advances – Rs.326.343 million

(i) 3.4.3.2 DP No. 72 Director Finance, UD-Wing LDA, Lahore

(ii) 3.4.3.3 DP No. 73 Director Finance, UD-Wing LDA, Lahore

26.09.2017: The Department explained that advances had already been adjusted and relevant rules had been got approved by the competent authority. However, some record desired by Audit, had been burnt in the fire incident.

The Sub-Committee accepted the explanation of the Department and recommended to settle the above paras.

(iii) 3.4.3.5 DP No. 319 Director, Admn & Finance, TEPA, Lahore

26.09.2017: The Department explained that recovery of the remaining amount had been effected and advance payment outstanding against the deceased employee had been written off by the competent authority.

Audit stated that issuance of warnings to the incumbents as well as verification of requisite record was still awaited.

The Sub-Committee recommended **to conditionally settle the para** subject to verification of requisite record and issuance of warning to the responsible officers/officials within 10 days, under intimation to the PAC.

4. Para No.3.4.4 Pages 124 to 127 of Audit Report for the year 2011-12, Unjustified payment due to execution of work without Job Mix Formula – Rs.204.255 million

(i) 3.4.4.1 DP No. 108 Director ADS-I UD-Wing LDA, Lahore

(ii) 3.4.4.2 DP No. 116 Director ADS-II UD-Wing LDA, Lahore

(iii) 3.4.4.4 DP No. 118 Director Building-I, UD-Wing LDA, Lahore

26.09.2017: Audit apprised that no supplementary/supporting record had been produced for verification despite previous directions of PAC.

The Department explained that the reports from consultants and available record had already been produced to Audit but bulk of the record had been burnt in the fire incident.

The Sub-Committee directed/recommended that a Special Committee comprising Mr. Mumtaz Ahmad, Deputy Secretary and Technical Advisor Finance Department should examine the subject issue and submit recommendations to the PAC within 15 days

The above paras were kept pending.

(vi) 3.4.4.3 DP No. 330 Director, Engineering Construction, TEPA, Lahore

26.09.2017: Audit apprised that requisite record has not yet been produced for verification.

The Department explained that record would be produced for verification at the earliest.

The Sub-Committee expressed its displeasure on non-production of record despite its earlier directions/recommendations and desired that PAO should inquire into the matter to fix responsibility for non-compliance of PAC directions in all such cases of subject Audit Report.

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The **para was kept pending** for verification of record within 10 days and submission of compliance report to the PAC.

5. Para No.3.4.6 Pages 128 to 131 of Audit Report for the year 2011-12, Non-recovery of secured advance – Rs.64.648 million

(i) 3.4.6.1 DP No. 225 Executive Engineer Public Health Engineering Division, Gujrat

26.09.2017: The Department explained that total outstanding amount had been recovered and relevant record had also been got verified by Audit.

On the recommendations of Audit, the Sub-Committee recommended **to settle the para.**

(ii) 3.4.6.2 DP No. 328 Director, Engineering Construction, TEPA, Lahore

26.09.2017: Audit apprised that no record had been produced for verification. Moreover, secured advance was not admissible against perishable items.

The Department explained that secured advance had been recovered which could be verified by Audit.

Finance Department also endorsed the contention of Audit.

The Sub-Committee directed/recommended that disciplinary action should be taken against the responsible officials/officers and thereafter, the irregularity be got condoned by the competent authority.

The **para was kept pending.**

(iii) 3.4.6.3 DP No. 60 Executive Engineer, PHE division Rawalpindi

26.09.2017: The Department explained that outstanding amount had already been recovered which had been produced to Audit for verification.

Audit contended that recovery of secured advance was still outstanding.

The Sub-Committee directed/recommended that outstanding dues should be recovered as per Audit observation and recommended **to conditionally settle the para** subject to verification of complete recovery and its verification by Audit.

(iv) 3.4.6.4 DP No. 12 Executive Engineer, Project Management Unit, Chakwal

26.09.2017: The Department explained that as per directions of PAC, an inquiry had been conducted into the matter and notices had been issued to the concerned officers/officials. However, the incumbents had responded that they had already been penalized in the subject case.

Audit contended that the inquiry report had not been produced for verification.

The Sub-Committee recommended **to conditionally settle the para** subject to verification of departmental contention by Audit.

6. Para No.3.4.7 Pages 131 to 133 of Audit Report for the year 2011-12, Non-recovery of risk & cost amount from defaulting contractor– Rs.49.393 million

(i) 3.4.7.1 DP No. 11 Executive Engineer, Project Management Unit PHE, Jhelum

26.09.2017: The Department explained that as per directions of PAC, case had been referred to NAB which was still under investigation.

Audit contended that no record was produced by the Department for verification.

The **Sub-committee kept the para pending** for necessary action by the Department.

(ii) 3.4.7.3 DP No. 14 Executive Engineer, Project Management Unit PHE, Chakwal

26.09.2017: The Department explained that an inquiry had been conducted into the matter but the accused official contended that opportunity of defense had not been afforded to them. Therefore, the competent authority had ordered to re-inquire the matter.

The **Sub-committee kept the para pending** for finalization of inquiry proceedings at the earliest.

7. Para No.3.4.10 Pages 136 to 138 of Audit Report for the year 2011-12, Loss due to execution of defective work – Rs.40.038 million

(i) 3.4.10.1 DP No. 141 Director Construction-II, WASA, FDA, Faisalabad

25.09.2017: The Department explained that an advice had been sought from the Finance Department whereby it was stated that Director General FDA was competent to grant extension but matter regarding waive off/sanction of penalty was still unresolved.

The **para was kept pending** with directions/recommendations that reference be resubmitted to Finance Department for seeking clarification and further action should be taken accordingly.

(ii) 3.4.10.2 DP No. 154 Director Construction-I, WASA, FDA, Faisalabad

25.09.2017: The Department explained that total recovery had been effected which would be produced to Audit for verification.

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The Sub-Committee recommended to conditionally settle the para subject to verification of record by Audit.

8. Para No.3.4.11 Pages 139 to 143 of Audit Report for the year 2011-12, Overpayment due to application of incorrect input rates– Rs.36.656 million

- (i) 3.4.11.1 DP No. 274 Director, Engineering, TEPA, LDA Lahore
- (ii) 3.4.11.2 DP No. 276 Director, Engineering, TEPA, LDA `Lahore
- (iii) 3.4.11.3 DP No. 279 Director, Engineering, TEPA, LDA Lahore
- (iv) 3.4.11.4 DP No. 280 Director, Engineering, TEPA, LDA LAHORE
- (v) 3.4.11.5 DP No. 278 Director, Engineering, TEPA, LDA Lahore

26.09.2017: The Department explained that as per the directions of PAC-II, a Special Committee had been constituted to examine the subject issue. However, outcome thereon, was still awaited.

The Sub-committee kept the above paras pending with directions/recommendations that recommendations of the Special Committee, should be finalized, within 10 days, under intimation to the PAC.

9. Para No.3.4.12 Pages 143 to 154 of Audit Report for the year 2011-12, Non-recovery due to de-escalation in the rates of material – Rs.35.163 million

- (i) 3.4.12.1 DP No. 102 Director ADS-I UD-Wing, LDA, Lahore
- (ii) 3.4.12.2 DP No. 113 Director ADS-II UD-Wing, LDA, Lahore
- (iii) 3.4.12.5 DP No. 104 Director ADS-I UD-Wing, LDA, Lahore
- (iv) 3.4.12.6 DP No. 105 Director ADS-I UD-Wing, LDA, Lahore
- (v) 3.4.12.8 DP No. 103 Director ADS-I UD-Wing, LDA, Lahore
- (vi) 3.4.12.9 DP No. 129 Director Avenue-I UD-Wing, LDA, Lahore
- (vii) 3.4.12.10 DP No. 115 Director ADS-II UD-Wing, LDA, Lahore
- (viii) 3.4.12.13 DP No. 70 Director Avenue-I, Urban Development Wing, LDA, Lahore
- (ix) 3.4.12.14 DP No. 106 Director ADS-I, UD-Wing, LDA, Lahore
- (x) 3.4.12.15 DP No. 112 Director ADS-II, UD-Wing, LDA, Lahore

26.09.2017: Audit apprised that no supplementary/supporting record had been produced for verification despite previous directions of PAC.

The Department explained that the reports from consultants and available record had already been produced to Audit but bulk of the record had been burnt in the fire incident.

The Sub-Committee directed/recommended that a Special Committee comprising Mr. Mumtaz Ahmad, Deputy Secretary and Technical Advisor Finance Department should examine the subject issue and submit recommendations to the PAC within 15 days

The above paras were kept pending.

(xi) 3.4.12.3 DP No. 15 Director Engineering, WASA, GDA, Gujranwala

25.09.2017: The Department explained that outstanding dues had already been recovered while warning had been issued to the incumbents. Meanwhile, a case had been moved to the Finance Department to review clause 55 of the agreement but decision thereon was still awaited.

The Sub-Committee recommended **to settle the para** with the directions/recommendations that Finance Department should resolve the issue at the earliest.

(xii) 3.4.12.16 DP No. 29 Project Engineer, PMU, Mianwali

26.09.2017: Audit contended that no record had been produced for verification despite directions by the PAC.

The Department apprised that requisite record/calculation of escalation would be produced for verification at the earliest.

The Sub-Committee recommended **to conditionally settle the para** subject to verification of requisite record by Audit.

10. Para No.3.4.13 Page 154 of Audit Report for the year 2011-12, Non-recovery of commercialization fee – Rs.20.872 million

DP No. 287 Director Commercialization LDA UD-Wing Lahore

26.09.2017: The Department explained that partial recovery had been effected while a case involving balance amount of Rs.14,618,500/- was subjudice in the court. It was added that efforts were being made for recovery of balance outstanding dues.

The Sub-Committee **kept the para pending** with the directions/recommendations that its amount be reduced to the extent of recovery verified by Audit.

11. Para No.3.4.14.1 Pages 155 to 158 of Audit Report for the year 2011-12, Undue financial aid due to non obtaining of the additional performance security – Rs.16.016 million

DP No. 145 Director Construction-II, WASA, FDA, Faisalabad

25.09.2017: The Department explained that a clarification had been sought from PPRA according to which no irregularity was committed.

Finance Department apprised that Additional Performance Security was required in the subject case and the subject issue had also been discussed with PPRA whereas it

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was decided to rename the Additional Performance Security as Quality Assurance Security.

The Department contended that recovery in the subject case was not possible as the work had been completed few years ago.

The Sub-committee desired that irregularity be got condoned by the competent authority and warning be issued to the responsible officers/officials under intimation to the PAC within 30 days.

The **para was kept pending**.

12. Para No.3.4.15 Pages 158 to 159 of Audit Report for the year 2011-12, Excess payment on account of super plasticizer – Rs.13.517 million

DP No. 281 Director TEPA, LDA, Lahore

26.09.2017: Audit apprised that requisite record has not yet been produced for verification.

The Department explained that record would be produced for verification at the earliest.

The Sub-Committee expressed its displeasure on non-production of record despite its earlier directions/recommendations and desired that PAO should inquire into the matter to fix responsibility for non-compliance of PAC directions in all such cases of subject Audit Report.

The **para was kept pending** for verification of record within 10 days and submission of compliance report to the PAC.

13. Para No.3.4.16 Pages 159 to 161 of Audit Report for the year 2011-12, Loss/ non-recovery due to illegal water and sewerage connections – Rs.13.232 million

- (i) **3.4.16.2 DP No. 90 Director Admn/Finance WASA GDA, Gujranwala**
- (ii) **3.4.16.3 DP No. 89 Director Administration and Finance, WASA GDA, Gujranwala**

25.09.2017: The Department explained that partial recovery had been effected and efforts were being made for recovery of the remaining amount.

The **paras were kept pending** with the directions that complete recovery should be effected within 90 days and amount of paras be reduced to the extent of recovery verified by Audit.

14. Para No.3.4.17 Page 162 of Audit Report for the year 2011-12, Overpayment due to non-reduction in rate of bitumen – Rs.12.298 million

DP No. 126 Director Avenue-I UD-Wing LDA, Lahore

26.09.2017: The Department explained that the total outstanding amount had been recovered and relevant challan had been got verified by Audit.

The explanation of the Department was accepted and the Sub-Committee recommended **to settle the para.**

15. Para No.3.4.18.1 Pages 163 & 164 of Audit Report for the year 2011-12, Non-recovery of compensation charges due to non-completion of work – Rs.10.969 million

DP No. 142 Director Construction-II, WASA, FDA, Faisalabad

25.09.2017: The Department explained that time extension had been granted by the competent authority while outstanding dues had also been recovered which had been got verified by Audit.

The Sub-committee accepted the Department explanation and recommended **to settle the para.**

16. Para No.3.4.19.1 Pages 164 & 165 of Audit Report for the year 2011-12, Non-receipt of income tax from bidders – Rs.10.077 million

DP No. 286 Director Estate Management, UD-Wing, LDA, Lahore

26.09.2017: The Department explained that total recovery had been affected and as per recommendations of PAC, warning had been issued to responsible officials/officers.

The explanation of the Department was accepted and the Sub-Committee recommended **to settle the para.**

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17. Para No.3.4.20 Pages 165 & 166 of Audit Report for the year 2011-12, Non-recovery of additional price of plots – Rs.9.348 million

DP No. 265 Director Estate Management, MDA, Multan

25.09.2017: The Department explained that partial recovery had been effected while the balance amount would also be recovered till 31.12.2017.

The **para was kept pending** for recovery of outstanding dues.

18. Para No.3.4.23 Pages 169 & 170 of Audit Report for the year 2011-12, Overpayment due to payment of inadmissible carriage – Rs.5.339 million

DP No. 130 Director Avenue-I, UD-Wing LDA, Lahore

26.09.2017: Audit apprised that no supplementary/supporting record had been produced for verification despite previous directions of PAC.

The Department explained that the reports from consultants and available record had already been produced to Audit but bulk of the record had been burnt in the fire incident.

The Sub-Committee directed/recommended that a Special Committee comprising Mr. Mumtaz Ahmad, Deputy Secretary and Technical Advisor Finance Department should examine the subject issue and submit recommendations to the PAC within 15 days

The **above para was kept pending**.

19. Para No.3.4.24 Pages 170 to 172 of Audit Report for the year 2011-12, Overpayment due to allowing price variation on water supply works for labour & diesel – Rs.5.201 million

(i) 3.4.24.3 DP No. 246 Executive Engineer, Public Health Engineering Division, Sargodha

26.09.2017: The Department explained that as per directions of PAC, an inquiry was conducted into the matter and resultantly, warning letters had been issued to the incumbents which had been got verified by Audit.

The Sub-Committee recommended **to settle the para** subject to verification of requisite record by Audit.

(ii) **3.4.24.4 DP No. 218 Executive Engineer, PHE Division Khushab**

26.09.2017: The Department explained that as per directions of PAC, an inquiry was conducted into the matter and resultantly, warning letters had been issued to the responsible officers/officials.

Audit contended that inquiry report had not been produced for verification.

The Sub-Committee recommended **to conditionally settle the para** subject to verification of inquiry report by Audit.

20. Para No.3.4.25 Pages 172 & 173 of Audit Report for the year 2011-12, Loss due to stoppage of billing to the consumers – Rs.5.014 million

DP No. 164 Director Revenue & Recovery, WASA (FDA), Faisalabad

25.09.2017: The Department explained that partial recovery had been effected and efforts were being made for recovery of the remaining amount.

The **para was kept pending** with the directions that complete recovery should be effected within 90 days and amount of paras be reduced to the extent of recovery verified by Audit.

21. Para No.3.4.26 Pages 173 & 174 of Audit Report for the year 2011-12, Loss due to theft of POL – Rs.4.908 million

DP No. 134 Director Administration, LDA UD-Wing Lahore

26.09.2017: The Department explained that inquiry had been conducted twice, to thrash out the matter but the accused had been exonerated by the Inquiry Officers. However, yet another inquiry had been ordered and further action would be taken accordingly.

Keeping in view the assurance of Director General, LDA, the Sub-Committee recommended **to settle the para.**

22. Para No.3.4.27 Pages 174 & 175 of Audit Report for the year 2011-12, Irregular payment due to non-preparation of analysis of rates – Rs.4.896 million

25.09.2017: The Department explained that as per directions of PAC, probe report and reference had been moved to the Finance Department and response thereon was still awaited.

The **para was kept pending** with directions/recommendations that Finance Department should resolve the matter within 30 days.

- 23. Para No.3.4.28.2 Pages 175 & 176 of Audit Report for the year 2011-12, Non-recovery of charges on account of demolition of illegal building structure – Rs.4.386 million**
-

DP No. 74 Director EME, Urban Development Wing, LDA Lahore

26.09.2017: The Department explained that as per directions of PAC, the land involved in Audit observation had been got vacated but recovery was not possible because the occupants were not traceable.

The Sub-Committee accepted the departmental contention and recommended to settle the para.

- 24. Para No.3.4.29 Pages 176 & 177 of Audit Report for the year 2011-12, Unjustified payment by issuing administrative approvals repeatedly on same work/building – Rs.4.105 million**
-

DP No. 122 Director EME, Urban Development Wing, LDA Lahore

26.09.2017: The Department explained that partial recovery had been effected and efforts were being made for recovery of outstanding amount.

The Sub-Committee kept the para pending with directions/recommendations that amount of para be reduced to the extent of recovery verified by Audit and balance recovery be pursued vigorously.

- 25. Para No.3.4.33 Pages 180 & 181 of Audit Report for the year 2011-12, Excess payment due to allowing use of bitumen in tack coat beyond the approved limit – Rs.2.830 million**
-

DP No. 107 Director ADS-I UD-Wing LDA, Lahore

26.09.2017: Audit apprised that no supplementary/supporting record had been produced for verification despite previous directions of PAC.

The Department explained that the reports from consultants and available record had already been produced to Audit but bulk of the record had been burnt in the fire incident.

The Sub-Committee directed/recommended that a Special Committee comprising Mr. Mumtaz Ahmad, Deputy Secretary and Technical Advisor Finance Department should examine the subject issue and submit recommendations to the PAC within 15 days

The above para was kept pending.

26. Para No.3.4.34 Pages 181 to 187 of Audit Report for the year 2011-12, Overpayment due to incorrect application of rate – Rs.2.552 million

- (i) 3.4.34.1 DP No. 226 **Executive Engineer, Public Health Engineering Division Gujrat**
- (ii) 3.4.34.3 DP No. 184 **Executive Engineer, PHE Division Kasur**
- (iii) 3.4.34.6 DP No. 61 **Executive Engineer, Public Health Engineering Division Rawalpindi**

26.09.2017: The Department explained that as per directions of PAC, a clarification had been sought from the Finance Department and further action would be taken accordingly.

The Sub-Committee kept the paras pending with directions/recommendations that recovery of outstanding dues should be effected, as per advice of the Finance Department.

- (vi) 3.4.34.5 DP No. 24 **Director Engineering, WASA GDA, Gujranwala**

25.09.2017: The Department explained that total outstanding amount as per Audit observation had been recovered which could be verified by Audit.

The Sub-committee recommended to conditionally settle the para subject to verification of relevant record by Audit.

- (v) 3.4.34.9 DP No. 193 **Executive Engineer, PHE Division Mianwali**

26.09.2017: The Department explained that outstanding dues had been recovered but the final bill could not be produced for verification as the scheme was still ongoing.

The Sub-Committee recommended to settle the para subject to verification of requisite recovery certificate by Audit.

27. Para No.3.4.35.3 Pages 187 to 190 of Audit Report for the year 2011-12, Non-recovery on account of violation of building plan – Rs.2.471 million

- DP No. 178 **Director Estate Management, Rawalpindi Development Authority, Rawalpindi**

25.09.2017: The Department explained that the total outstanding amount had been recovered which had also been got verified from the Audit.

On the recommendation of Audit, the Sub-Committee recommended to settle the above para.

28. Para No.3.4.36 Pages 190 & 191 of Audit Report for the year 2011-12, Overpayment due to application of incorrect rate – Rs.2.422 million

DP No. 125 Director Avenue-I, UD-Wing LDA, Lahore

26.09.2017: Audit apprised that no supplementary/supporting record had been produced for verification despite previous directions of PAC.

The Department explained that the reports from consultants and available record had already been produced to Audit but bulk of the record had been burnt in the fire incident.

The Sub-Committee directed/recommended that a Special Committee comprising Mr. Mumtaz Ahmad, Deputy Secretary and Technical Advisor Finance Department should examine the subject issue and submit recommendations to the PAC within 15 days

The above para was kept pending.

29. Para No.3.4.37 Page 191 of Audit Report for the year 2011-12, Non-recovery of dismantled material – Rs.2.380 million

DP No. 172 Director Engineering RDA UD Wing Rawalpindi

25.09.2017: The Department explained that the outstanding amount had been recovered which had also been got verified by Audit.

Audit contended that verification of final bill was still awaited.

The Sub-Committee recommended **to conditionally settle the above para** subject to verification of final bill or recovery certificate by Audit within 15 days.

30. Para No.3.4.38 Pages 192 to 195 of Audit Report for the year 2011-12, Overpayment due to inclusion of extra carriage, loading/unloading, contractor profit & overhead charges – Rs.2.202 million

(i) **3.4.38.1 DP No. 277 Director Engineering, TEPA LDA, Lahore**

(ii) **3.4.38.2 DP No. 275 Director Engineering, TEPA LDA, Lahore**

26.09.2017: The Department explained that as per the directions of PAC-II, a Special Committee had been constituted to examine the subject issue. However, outcome thereon, was still awaited.

The **Sub-committee kept the above paras pending** with directions/recommendations that recommendations of the Special Committee, should be finalized, within 10 days, under intimation to the PAC.

(iii) **3.4.38.4 DP No. 124 Director EME, Urban Development Wing LDA, Lahore**

26.09.2017: Audit contended that relevant record regarding recoupment of security deposit had not been produced for verification.

The Department assured that requisite record would be produced for verification, at the earliest.

The Sub-Committee recommended **to conditionally settle the para** subject to verification of record by Audit.

31. Para No.3.4.40 Pages 195 & 196 of Audit Report for the year 2011-12, Undue financial benefit to the contractor due to disproportionate rates – Rs.1.903 million

DP No. 214 Executive Engineer, PHE Division, Khushab

26.09.2017: The Department explained that financial statements could not be produced to Audit for verification because the scheme in question was still ongoing.

The Sub-Committee recommended **to conditionally settle the para** subject to verification of relevant record by Audit.

32. Para No.3.4.41 Pages 196 & 197 of Audit Report for the year 2011-12, Undue payment of price variation allowed beyond the stipulated period of completion of work – Rs.1.889 million

DP No. 149 Director Construction-I, WASA, FDA, Faisalabad

25.09.2017: The Department explained that outstanding dues had been recovered as per advice of the Finance Department.

The Sub-Committee recommended **to settle the para** subject to verification of relevant record by Audit.

33. Para No.3.4.42 Pages 197 & 198 of Audit Report for the year 2011-12, Overpayment due to acceptance of tender at higher rates – Rs.1.826 million

DP No. 284 Director Engineering, TEPA, LDA, Lahore

26.09.2017: The Department explained that as per the directions of PAC-II, a Special Committee had been constituted to examine the subject issue. However, outcome thereon, was still awaited.

The **Sub-committee kept the above para pending** with directions/recommendations that recommendations of the Special Committee, should be finalized, within 10 days, under intimation to the PAC.

Report of PAC-II (2011-12)

- 34. Para No.3.4.43 Pages 198 & 199 of Audit Report for the year 2011-12, Overpayment of custom duty – Rs.1.706 million**
-

DP No. 40 Director Engineering, RDA Rawalpindi

25.09.2017: The Department explained that the outstanding amount had been recovered which had also been got verified by Audit.

Audit contended that verification of final bill was still awaited.

The Sub-Committee recommended **to conditionally settle the above para** subject to verification of final bill or recovery certificate by Audit within 15 days.

- 35. Para No.3.4.44 Pages 199 & 200 of Audit Report for the year 2011-12, Overpayment due to sanction of rate excess than provided in MRS – Rs.1.686 million**
-

DP No. 238 Director Engineering, TEPA, LDA, Lahore

- 36. Para No.3.4.45 Pages 200 & 201 of Audit Report for the year 2011-12, Overpayment due to application of incorrect base rate – Rs.1.509 million**
-

DP No. 273 Director Engineering, TEPA, LDA, Lahore

26.09.2017: The Department explained that as per the directions of PAC-II, a Special Committee had been constituted to examine the subject issue. However, outcome thereon, was still awaited.

The **Sub-committee kept the above paras pending** with directions/recommendations that recommendations of the Special Committee, should be finalized, within 10 days, under intimation to the PAC.

- 37. Para No.3.4.46.1 Pages 201 to 203 of Audit Report for the year 2011-12, Loss to the Authority due to theft of material – Rs.1.500 million**
-

DP No. 127 Director Estate Management LDA Avenue-I Housing Scheme, Lahore

26.09.2017: The Department explained that FIR had already been launched against unknown culprits on account of theft of steel Fence and measures had been taken to prevent such incidents in the future.

The Sub-committee directed/recommended that write off sanction of the loss be sought from the competent authority.

The Sub-Committee recommended **to conditionally settle the para** subject to above directions/recommendations.

38. Para No.3.4.47 Page 203 of Audit Report for the year 2011-12, Overpayment due to application of incorrect rate – Rs.1.451 million

DP No. 86 Director Engineering WASA GDA, Gujranwala

25.09.2017: The Department explained that a clarification had been sought from the Finance Department whereby it was stated that no excess payment was involved in the subject matter.

The Sub-Committee recommended **to settle the para.**

39. Para No.3.4.48 Page 204 of Audit Report for the year 2011-12, Less recovery on account of sewer/drainage connection fee – Rs.1.343 million

DP No. 20 Director Revenue & Recovery, WASA, FDA, Faisalabad

25.09.2017: The Department explained that partial recovery had been effected and efforts were being made for recovery of the remaining amount.

The **para was kept pending** with the directions that complete recovery should be effected within 90 days and amount of paras be reduced to the extent of recovery verified by Audit.

40. Para No.3.4.52 Pages 207 & 208 of Audit Report for the year 2011-12, Overpayment due to violation of JMF – Rs.0.998 million

DP No. 71 Director Avenue-I UD-Wing LDA, Lahore

26.09.2017: The Department explained that the outstanding amount had been recovered and relevant supporting record had also been got verified by Audit.

On the recommendation of Audit, the Sub-Committee recommended **to settle the above para.**

41. Para No.3.4.53.4 Pages 208 to 211 of Audit Report for the year 2011-12, Non-recovery of flood surcharge – Rs.0.977 million

DP No. 323 Director Traffic Engineering, TEPA, Lahore

26.09.2017: The Department explained that outstanding dues had been recovered as pointed out by Audit and relevant record was available for verification.

Report of PAC-II (2011-12)

The Sub-Committee recommended to **conditionally settle the above para** subject to verification of record by Audit within 10 days.

42. Para No.3.4.54 Pages 211 & 212 of Audit Report for the year 2011-12, Non-recovery of aquifer and sewerage charges – Rs.0.990 million

DP No. 267 Director Revenue & Recovery, WASA, FDA, Faisalabad

25.09.2017: The Department explained that partial recovery had been effected and efforts were being made for recovery of the remaining amount.

The **para was kept pending** with the directions that complete recovery should be effected within 90 days and amount of paras be reduced to the extent of recovery verified by Audit.

43. Para No.3.4.55 Pages 212 & 213 of Audit Report for the year 2011-12, Irregular grant and adjustment of advance TA/DA – Rs.0.950 million

DP No. 132 Director Finance, UD-Wing LDA, Lahore

26.09.2017: The Department explained that the outstanding amount had been recovered and relevant supporting record had also been got verified by Audit.

On the recommendation of Audit, the Sub-Committee recommended **to settle the above para.**

44. Para No.3.4.58 Page 216 of Audit Report for the year 2011-12, Non-recovery of cost of excess area of plots – Rs.0.531 million

DP No. 99 Director, Admn & Finance, WASA-MDA, Multan

25.09.2017: The Department explained that the total outstanding amount had been recovered which had also been got verified from the Audit.

On the recommendation of Audit, the Sub-Committee recommended **to settle the above para.**

45. Para No.3.4.62 Pages 219 & 220 of Audit Report for the year 2011-12, Overpayment due to application of incorrect rates – Rs.0.335 million

DP No. 128 Director Avenue-I UD-Wing LDA, Lahore

26.09.2017: The Department explained that all the requisite record was available for verification by Audit.

The Sub-committee recommended **to conditionally settle the above para** subject to verification of relevant record by Audit, within 10 days.

- 46. Para No.3.4.64 Pages 221 & 222 of Audit Report for the year 2011-12, Overpayment due to clearance of surplus earth/material from site – Rs.0.260 million**
-

DP No. 185 Executive Engineer, PHE Division Kasur

26.09.2017: The Department explained that total outstanding amount had been recovered which could be verified by Audit.

The Sub-committee recommended **to conditionally settle the para** subject to verification of requisite record by Audit.

- 47. Para No.3.4.67 Page 224 of Audit Report for the year 2011-12, Excess payment due to incorrect provision of rate – Rs.0.208 million**
-

DP No. 325 Director Traffic Engineering, TEPA, Lahore

26.09.2017: The Department explained that outstanding dues had been recovered as pointed out by Audit and relevant record was available for verification.

The Sub-Committee recommended **to conditionally settle the above para** subject to verification of record by Audit within 10 days.

- 48. Para No.3.4.68 Page 225 of Audit Report for the year 2011-12, Undue benefit to the contractor due to payment of imbalanced rates– Rs.0.198 million**
-

DP No. 101 Director ADS-I UD-Wing LDA, Lahore

26.09.2017: The Department explained that all the requisite record was available for verification by Audit.

The Sub-committee recommended **to conditionally settle the above para** subject to verification of relevant record by Audit, within 10 days.

- 49. Para No.3.4.70 Pages 227 & 228 of Audit Report for the year 2011-12, Overpayment due to allowing unnecessary /double carriage – Rs.0.170 million**
-

DP No. 329 Director Engineering Construction, TEPA, Lahore

26.09.2017: The Department explained that outstanding dues had been recovered as pointed out by Audit and relevant record was available for verification.

Report of PAC-II (2011-12)

The Sub-Committee recommended to **conditionally settle the above para** subject to verification of record by Audit within 10 days.

50. Para No.3.4.71 Pages 228 & 229 of Audit Report for the year 2011-12, Overpayment due to incorrect calculations of quantities– Rs.0.167 million

DP No. 114 Director ADS-II UD-Wing LDA, Lahore

26.09.2017: The Department explained that the outstanding amount had been recovered and relevant supporting record had also been got verified by Audit.

On the recommendation of Audit, the Sub-Committee recommended **to settle the above para.**

51. Para No.3.4.72 Page 229 of Audit Report for the year 2011-12, Overpayment due to incorrect calculation – Rs.0.148 million

DP No. 191 Executive Engineer, PHE Division Mianwali

26.09.2017: The Department explained that final bill could not be produced for verification because the scheme was still under execution.

The Sub-committee recommended **to conditionally settle the para** subject to verification of requisite record by Audit.

The **Monitoring & Implementation Sub-Committee** discussed the Audit Paras of the Industries Department in its meeting held on 26.09.2016 and made the following recommendations:-

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

1. **Para No.5.2.2.1 Pages 40 to 42 of Audit Report for the year 2011-12, Non-adjustment of advance to land acquisition collectors – Rs.1,245 million**
- **Non-return of unutilized amount – Rs. 209.909 million including fraudulent disbursement of land /crop compensation by LACs – Rs. 125.677 million**

26.09.2016: Audit stated that besides the subject observation, FIEDMC had refused to get its accounts audited.

The Principal Accounting Officer assured that submission of record to Audit would be ensured and any confusion in this regard would be sorted out. However, in case of subject para, the matter was subjudice in Anti-corruption Establishment as well as the High Court.

The **para was kept pending** with the directions/recommendations that matter be pursued vigorously.

2. **Para No.5.2.2.2 Pages 42 & 43 of Audit Report for the year 2011-12, Financial loss due to opening of LC – Rs.25.789 million**

26.09.2016: The Department explained that a Special Committee had been appointed by the Chief Minister whereby it was decided that no financial charges would be imposed in the subject case and decision of the Special Committee had been duly communicated to the Chief Minister.

The **Sub-Committee recommended to settle the para** subject to verification of record by Audit.

3. **Para No.5.2.2.3 Pages 43 & 44 of Audit Report for the year 2011-12, Irregular purchase of Polythenele pipe for water supply – Rs.11.877 million**

26.09.2016: The Department explained that requisite certificate of proprietorship, had been produced to Audit for verification, however the same had not been issued by the concerned Administrative Secretary at the time of transaction.

The Sub-Committee recommended **to settle the para** with the warnings that such lapses should not repeated in future and instant decision shouldn't be quoted as a precedent.

Report of PAC-II (2011-12)

4. Para No.5.2.2.4 Pages 45 & 46 of Audit Report for the year 2011-12, Irregular award of contract to M/s Asian Consulting Engineer – Rs.1.869 million

26.09.2016: The Department explained that the matter was still pending for decision by the Finance Department.

Finance Department apprised that case had been returned for submission of probe report by the Department.

The Sub-Committee recommended **to settle the para** conditionally subject to decision of the Finance Department, at the earliest.

5. Para No.5.2.2.5 Pages 46 to 47 of Audit Report for the year 2011-12, Non imposition of liquidated damages – Rs.317.333 million and granting escalation – Rs.260.464 million

26.09.2016: The Department explained that the matter was still pending for decision by the Finance Department.

Finance Department apprised that case had been returned for submission of probe report by the Department.

The **para was kept pending** for necessary departmental action and decision of the Finance Department, within 60 days.

6. Para No.5.3.1.3 Page 50 of Audit Report for the year 2011-12, Working Results

26.09.2016: The Department explained that a sum of Rs.500 million had been recovered while 20 litigation cases were still pending adjudication in the court and further action would be taken after decision of the court.

The **para was kept pending** with the directions/recommendations that necessary measures be taken to expedite the matter.

7. Para No.5.4.1.1 Page 51 of Audit Report for the year 2011-12, Working Results

26.09.2016: The Department explained that delay in submission of accounts had occurred due to slackness on the part of chartered accountants and all the pending accounts would be submitted by December 2016.

Finance Department apprised that pursuant to the directions of PAC had been issued instructions that accounts be submitted by commercial entities within the timelimit prescribed in their respective act and in case of delay, disciplinary action be taken against the defaulters.

The Committee observed that no progress was made by the Department despite directions/recommendations of PAC dated 28.05.2015 and therefore, directed/recommended that an inquiry be conducted to fix responsibility for the lapse and disciplinary action be taken against the incumbents under intimation to the PAC, within 30 days.

The para was kept pending.

8. Para No.5.4.1.3 Page 52 of Audit Report for the year 2011-12, Working Results

26.09.2016: The Department explained that partial settlement of assets and liabilities had been made with TEVTA while case for remaining liabilities was being pursued with TEVTA.

The Committee expressed its concern on casual attitude of the concerned officers and directed/recommended that PAO should ensure necessary settlement/adjustment be finalized within 90days.

The para was kept pending.

9. Para No.5.4.1.4 Page 52 of Audit Report for the year 2011-12, Working Results

10. Para No.5.4.1.5 Page 52 of Audit Report for the year 2011-12, Working Results

11. Para No.5.4.1.6 Page 52 of Audit Report for the year 2011-12, Working Results

26.09.2016: The Department explained that requisite accounts/record would be submitted to Audit by October 2016.

The paras were kept pending for submission of accounts within 30 days.

12. Para No.5.4.2.1 Pages 55 & 56 of Audit Report for the year 2011-12, Shortage of cash/cheques in Pakistan Handicrafts Shop Rawalpindi – Rs.0.357 million

26.09.2016: The Department explained that as per departmental inquiry, major penalty of compulsory retirement had been imposed on the responsible Ex-Manager and recovery would be effected from his pension dues. It was added that legal wing of Department had opined that criminal action could not be taken against the responsible officer.

The Committee was not satisfied with the explanation of the Department and desired that aforesaid departmental opinion should be got vetted by the Law Department and PAO should re-investigate the Department to ascertain whether supervisory officers were also responsible for misappropriation and strict disciplinary action be taken against all the responsible officers/officials, under intimation to the PAC.

The para was kept pending.

Report of PAC-II (2011-12)

- 13. Para No.5.4.2.2 Pages 56 & 57 of Audit Report for the year 2011-12, Misappropriation of cash through less deposit by ex-cashier – Rs.1.573 million**
-

26.09.2016: The Department explained that partial recovery had been effected while case against the accused official was subjudice in the Anti-corruption Establishment.

The **para was kept pending** with the directions/recommendations that case be pursued vigorously.

- 14. Para No.5.4.2.4 Pages 58 & 59 of Audit Report for the year 2011-12, Loss due to late delivery of furniture – Rs.0.528 million**
-

26.09.2016: The Department explained that case for seeking regularization had been moved to the Finance Department.

The **para was kept pending** for decision of the Finance Department within 30 days.

- 15. Para No.5.4.2.6 Pages 60 to 61 of Audit Report for the year 2011-12, Failure of Support Center for Auto Parts Designing of Tools and Dies and provision of Testing Facilities at Lahore – Rs.56.902 million**
-

26.09.2016: The Department explained that Board had decided to conduct a study for re-activation of the projects and a consultant had been hired for the purpose. Further action would be taken on submission of Consultant's report.

The **para was kept pending** with the directions/recommendations that progress report be submitted to PAC within 30 days.

- 16. Para No.5.4.2.7 Pages 62 & 63 of Audit Report for the year 2011-12, Wasteful expenditure on the establishment of Cluster Development Centre (CDC) Metallurgy Casting Dies and Agricultural Implements Daska – Rs.25.470 million**
-

26.09.2016: The Department explained that an inquiry had been conducted into the matter whereby responsibility had been fixed for the lapse and further action would be taken accordingly.

The **para was kept pending** with the directions/recommendations that necessary action should be taken as per inquiry report, under intimation to the PAC within 15 days.

- 17. Para No.5.4.2.8 Pages 64 & 65 of Audit Report for the year 2011-12, Excess payment of medical allowance to PSIC employees – Rs.31.407 million**
-

26.09.2016: The Department explained that matter had been approved by the Committee whereby representative of Finance Department was also present.

Finance Department apprised that no such allowance could be granted without approval of the Finance Department.

The **para was kept pending** with the directions/recommendations that case be submitted to Finance Department for seeking advice/regularization.

18. Para No.5.4.2.9 Pages 65 & 66 of Audit Report for the year 2011-12, Wasteful expenditure on Industrial Incubators cum Service Centers at Gujranwala & Faisalabad – Rs.12.868 million

26.09.2016: The Department explained that as per directions of PAC, efforts were being made to make the project functional.

The Committee directed/recommended that an inquiry be conducted to fix responsibility for the lapse as well as non-compliance of previous directions of PAC and report be submitted to the PAC within 30 days.

The **para was kept pending**.

19. Para No.5.4.2.10 Pages 66 & 67 of Audit Report for the year 2011-12, No recovery from loanes of Micro Finance for Household Enterprises, SME 300 and Customized Lending Schemes – Rs.4.541 million

26.09.2016: The Department explained that bulk of the loans had been recovered while efforts were being made for recovery of balance outstanding dues but some cases were subjudice in the court.

The **para was kept pending** with the directions/recommendations that pending cases be pursued vigorously.

20. Para No.5.4.2.11 Pages 68 & 69 of Audit Report for the year 2011-12, Non professional assessment of the feasibility of a failed project – Rs.2.000 million

26.09.2016: The Department explained that matter was subjudice in the Banking Court.

The **para was kept pending** with the direction that case be pursued vigorously

Report of PAC-II (2011-12)

The **Monitoring & Implementation Sub-Committee** discussed the Accounts and Audit Paras of the Technical Education & Vocational Training Authority in its meeting held on 26.09.2016 and made the following recommendations:-

APPROPRIATION ACCOUNTS FOR THE YEAR 2011-12

1. Grant No. PC21022 (022) Industries: (All Voted) Pages 382 to 387 of Appropriation Accounts for the year 2011-12

04	Economic Affairs
044	Mining and Manufacturing
0441	Manufacturing
044101	Support For Industrial Development
LQ4219	Grant-in-Aid to TEVTA

Final Grant		Rs.5,753,881,000/-
Actual Expenditure		Rs.5,741,303,341/-
Saving	(-)	Rs. 12,577,659/-
Percentage		0.22%

26.09.2016: The representative of Accountant General Punjab apprised that requisite reconciliation had not yet been carried out by the Department.

Finance Department apprised that budget against the sub-head A06 had not been depicted due to typographical mistake.

The Department explained that expenditure figures had been reconciled and excess expenditure against the sub-heads A011-1, 0A011-2 and A012-2 had been incurred due to revision of pay scales.

The Sub-Committee recommended to conditionally **settle the item** subject to reconciliation and regularization of excess expenditure by the Finance Department.

AUDIT PARAS (COMMERCIAL) FOR THE YEAR 2011-12

1. Para No.10.2.1.1 Page 105 of Audit Report for the year 2011-12, Audited Accounts

26.09.2016: The Department explained that requisite accounts had been submitted to Audit.

The Sub-Committee recommended **to settle the para** and desired that timely submission of accounts must be ensured in future.

2. Para No.10.2.1.3 Page 106 of Audit Report for the year 2011-12, Audited Accounts

26.09.2016: The Department explained that record regarding adoption of Punjab Pension Fund investment policy had been produced to Audit for verification.

Finance Department apprised that refund of income tax should also be sought as per Pension Fund.

The Sub-Committee recommended **to settle the para** with the directions that necessary action be taken as per above advice of Finance Department.

3. Para No.10.2.1.4 Page 106 of Audit Report for the year 2011-12, Audited Accounts

26.09.2016: The Department explained that partial recovery had been effected and balance amount would also be recovered within the current financial year.

The Committee **reduced the para** to the extent of recovery verified by Audit and the **para was kept pending**.

4. Para No.10.2.1.5 Page 106 of Audit Report for the year 2011-12, Audited Accounts

26.09.2016: The Department explained that matter of surplus funds had been presented before the Board and further action was taken accordingly.

The Sub-Committee recommended **to conditionally settle the para** subject to verification of relevant record by Audit.