

Report(1987-88)

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Abstract

(1987-88)

Total Paras	Paras Noted	Paras Finally Settled	Paras Conditionally Settled	Paras Pended
1062	103	543	81	335

Introduction

Among the tasks entrusted to the *ad hoc* Public Accounts Committee (PAC) constituted in October 2000, is to deal with the unfinished business of the Standing Committees on Public Accounts of the suspended Assembly of the Punjab. The PAC is required to clear the backlog of Audit Reports passed on to it and to submit to the Finance Minister for approval the recommendations made by the previous PACs.

2. The Provincial Assembly's Public Accounts Committee No.1 had completed its examination of the Auditor-General's Reports on the Accounts (1987-88) of the Government of the Punjab. Although the Committee's report had been drafted, it could not be approved for submission to the Assembly before its suspension on 12 October 1999.

3. Based on the minutes of the meetings of the previous PACs, the Report on the Accounts for 1987-88 has now been compiled. A summary has also been prepared of the General Observations and Recommendations made by the Committees in the course of their examination of the Audit Reports and the explanations provided by the Departments.

4. In its meeting held on 23 May 2002, the *ad hoc* PAC approved the submission of this Report to the Finance Minister.

5. It is recommended that the Departments and Organizations concerned should take note of the various directives and suggestions in this Report. Appropriate action should be initiated for the improvement of financial discipline and for the enforcement of strict accountability. The monitoring wing of the Finance Department may watch and report on the compliance of the directives.

6. The *ad hoc* PAC avails itself of this opportunity to place on record its deep appreciation of the hard work put in and dedication displayed by the Assembly's Secretariat in assisting the Committee and compiling the Report.

(Riyaz H. Bokhari)

**5 June
2002
Chairman**

***Ad hoc* Public Accounts Committee**

General Observations and Recommendations

While considering the pending Audit Reports, the PACs made the following Observations and Recommendations:

1. *Working Papers:* It was noticed that most of the departments did not assign due priority to the work of the Public Accounts Committees (PACs). The working papers for the meetings had, at times, been inadequate as well as sketchy. They were also submitted as late as a day or two before, or even on the day of the meeting. The members of the PACs did not have time to examine the same. Written instructions issued by the PACs, from time to time, had little effect. The PACs recommended that Government must ensure that:

(a) the departments/agencies submit the appropriate working papers at least ten days before the meeting;

(b) full details and comprehensive explanation in respect of audit paras are incorporated in the working papers; and

(c) the departments explain the irregularities, losses, etc and also state what action had been taken against the officers/officials at fault; and if no action had been taken by them, the reasons in the wake of inaction.

Casual attitude before the PACs: It was observed that the administrative secretaries either did not appear before the PACs personally, or, even when they attended the meetings, they were not prepared for the same. During the meetings, they were often obliged to seek the assistance of their subordinates, sometimes at a very low level. The practice was highly disturbing and against all the norms of propriety. Moreover, they were unable to present the cases of their respective departments in their true perspective. Quite often they failed to assist the PACs or respond to the queries from the members of the Committees. Government must take corrective steps in this behalf.

3. *Directives of the PACs and Compliance Paras:* It was observed that most of the administrative departments had not taken timely action on the directives of the PACs. That inordinately delayed the disposal of the audit paras as well as the finalization of reports. Moreover, in a number of cases, audit paras were settled subject to certain actions to be taken by the concerned departments. Unfortunately, even after years, the departments had not cared to take the requisite action, with the result that such paras could not be finally settled. Chief Secretary was requested to issue a circular letter to all the administrative secretaries immediately to implement the directives of the PACs, and take further necessary action for the settlement of such

paras. However, no significant improvement was seen. Government should take measures so that the directives of the PACs are implemented expeditiously and in all cases within the time given to the departments.

4. **Inspection:** The Committees observed that quite many irregularities could possibly be avoided by regular inspection of the field offices by the senior officers. The instructions/orders to that effect had often been ignored. Government must take steps to resuscitate the system of regular inspection and appropriate action on the basis of 'Inspection Report'.

5. **Physical verification:** Government should take effective steps to implement the rules about the annual physical verification of stores, and timely action as a result of such verification.

6. **Measurement Book:** The Committees observed that the tendency to split up entries relating to the same work in different Measurement Books was highly objectionable and was fraught with chances of embezzlement. Government must ensure that only one Measurement Book is used for one work and all the entries relating to that work must be entered in the same.

7. **Deposit Work:** It was found that certain departments had executed deposit works either without any deposit or in excess of the deposit. Government should implement its command so that no department undertakes any deposit work without deposit of money, or in excess of the money deposited

8. **Tenders:** The Committees observed that in a large number of cases, tenders had been issued and accepted in anticipation of the approval of detailed estimates and technical sanction. Technical sanction was given afterwards on the basis of the quoted rates or on the basis of work done. The practice was illegal as well as fraught with chances of embezzlement. Government should take effective measures to curb the tendency.

9. **Recovery of Government dues:** The Committees took serious note of the fact that the departments had not taken timely action on audit observations to recover Government dues on account of loss, theft, embezzlement etc. Moreover, disciplinary proceedings were not initiated at appropriate time. The result was that in quite a number of cases, action had become almost impossible either on account of retirement or death of the concerned persons, or their having left the country. Even the directives of the PACs in this regard had been ignored with impunity. The PACs stressed that prompt action should always be taken in such cases.

10. **Expenditure at the fag end of the financial year:** Government should take appropriate steps to ensure that the departments do not incur hasty and ill-considered expenditure at the fag end of the financial year, merely to exhaust the available budgetary allocation.

- 11. *Statement of Excess and Surrenders:*** The Committees recommended that the Government should consider the possibility of revising the date of submission of Second Statement of Excess and Surrenders from 31 March to 15 May as had been done by the Federal Government.
- 12. *Court cases:*** It was noticed that the departments had not taken effective measures to defend court cases at an appropriate level, and by an officer who was fully conversant with the facts of a case. Serious attempts had not been made to get the stay orders vacated, with the result that recoveries and actions had been impeded. The PACs felt concerned about the state of affairs, and recommended to the Government that effective remedial steps be taken in public interest.
- 13. *Maintenance of Records:*** The Committees stressed that Government should implement the rules/instructions regarding proper maintenance of official record, and its timely production before the Audit as well as the PACs.
- 14. *Action by Finance Department:*** Finance Department must consider the requests of the departments in respect of the audit paras, including cases of write-off, according to merit and under rules, and must take appropriate decision at the earliest, without waiting for any recommendation from the Public Accounts Committees.

Appropriation Accounts

Overview

Total Grants	Settled	Pended
49	6	43

Abstract

Status	Number and Title of Grant	Details
Grants Finally Settled 4	4. Stamps 5. Forest 18. Agriculture 32. Civil Defence	Table I (Page 15)
Grants Settled subject to approval of Excess Budget Statement 2	13. Police 38. Agriculture Improvement & Research	Table II (Page 16)
Grants Pended 43	1. Opium 2. Land Revenue 3. Provincial Excise 6. Registration 7. Charges on account of Motor Vehicles Act 8. Other Taxes and Duties 9. Irrigation and Land Reclamation 10. General Administration 11. Administration of Justice 12. Jails and Convict Settlements 14. Museums 15. Education 16. Health Services 17. Public Health 19. Fisheries 20. Veterinary 21. Co-operation 22. Industries 23. Miscellaneous 24. Civil Works 25. Communications 26. H&PP 27. Relief 28. Pensions 29. Stationery & Printing 30. Subsidies 31. Miscellaneous 33. State Trading in Food Grain and Sugar 34. State Trading in Medical Stores & Coal 35. Loans to Government Servants 36. Development 37. Irrigation Works 39. Industrial Development 40. Town Development 41. Roads and Bridges 42. Government Buildings 43. Police Projects 44. Loans to Municipalities and Autonomous Bodies Nil-Permanent Debt Nil-Floating Debt Nil-Repayment of Loans from the Federal Govt. Nil-Interest on Debt & other Obligations Nil-Privy Purses	Table III (Pages 17-19)

TABLE 1

Grants Settled

The following Grants were settled either because the saving was within the permissible limit or the explanation of the Department for higher saving was accepted:-

Grant No & Title	Final Grant	Expenditure	Saving/Excess	Remarks
4. Stamps	10,819,700	10,072,591	(-) 747,109 (6.91%)	Minutes dated 16-3-1993.
5. Forest	223,184,560	213,667,491	(-) 9,517,069 (4.26%)	Minutes dated 28-11-1991.
18. Agriculture	632,694,420	627,077,799	(-) 5,616,621 (0.88%)	Minutes dated 19-11-1991
32. Civil Defence	16,300,820	15,921,308	(-) 379,512 (2.29%)	Minutes dated 29-3-1992

TABLE II

The following Grants were Settled subject to the approval of Excess Budget Statement:-

Grant No & Title	Final Grant	Expenditure	Saving/Excess	Remarks
13. Police	1,725,005,430	1,802,530,001	(+) 77,524,571	Minutes dated 29-3-1992

	*1,727,468,695	*1,802,530,001	(4.49%) *(+) 75,061,306 (4.34%)	
38. Agriculture Improvement & Research	49,425,010	49,459,319	(+) 34,309 (0.06%)	Minutes dated 19-11-1991

*After reconciliation

TABLE III Grants Pended

The following Grants were either partly settled, or settled subject to reconciliation, or pended or not discussed, as indicated against each:-

Grant No & Title	Final Grant	Expenditure	Saving/Excess	Remarks
1. Opium	437,260	375,743	(-) 61,517 (14.07%)	Not discussed.
2. Land Revenue	188,992,560	184,700,235	(-) 4,292,325 (2.27%)	Not discussed.
3. Provincial Excise	22,554,880	22,560,651	(+) 5,771 (0.02%)	Not discussed.
6. Registration	3,577,550	3,577,560	(+) 10 (0.02%)	Not discussed.
7. Charges on account of Motor Vehicles Act	19,329,310	18,751,360	(-) 577,950 (2.99%)	Not discussed.
8. Other Taxes and Duties	39,875,970	38,307,546	(-) 1,568,424 (3.93%)	Partly settled. Minutes dated 16-5-1995.
9. Irrigation and Land Reclamation	1,840,954,310	1,899,694,770	(+) 58,740,460 (41.67%)	Partly settled. Minutes dated 16-5-1995.
10. General Admn.	(c) 26,249,600	33,765,550	(+) 7,515,950 (28.63%)	Partly settled. Minutes dated 16-5-1995
	(v) 612,643,810	578,580,837	(-) 34,062,973 (5.60%)	Partly settled. Minutes dated 16-5-1995.
11. Admn. of Justice	(c) 47,747,420	47,660,356	87,064 (0.18%)	Not discussed.
	(v) 127,325,010	123,665,379	3,659,631 (2.87%)	Not discussed.
12. Jails and Convict Settlements	210,764,450	226,937,219	(+) 16,172,769 (7.67%)	Pended. Minutes dated 29-3-1992
14. Museums	3,823,400	3,907,004	(+) 83,604 (2.19%)	Not discussed.
15. Education	5,738,284,500	5,689,482,428	(-) 48,802,072 (0.85%)	Partly settled. Minutes dated 20-4-1992.

Continued...

Table III – continued

16. Health Services	1,724,876,310	1,725,470,239	(+) 593,929 (0.03%)	Partly settled. Minutes dated 20-4-1992. and Minutes dated 20-8-1992.
17. Public Health	85,431,380	78,331,263	(-) 7,100,117	Pended.

			(8.31%)	Minutes dated 17-5-1995.
19. Fisheries	31,173,310	33,339,753	(+) 2,166,443 (6.94%)	Settled subject to reconciliation. Minutes dated 28-11-1991.
20. Veterinary	286,412,560	285,841,128	(-) 571,432 (0.19%)	Not discussed.
21. Co-operation	74,931,970	71,033,532	(-) 3,898,438 (5.20%)	Not discussed.
22. Industries	100,654,210	95,151,951	(-) 5,502,259 (5.47%)	Not discussed.
23. Miscellaneous	208,873,450	227,773,243	(+) 18,899,793 (9.04%)	Partly settled. Minutes dated 28-11-1991
24. Civil Works (c)	1,334,600	3,151,857	(+) 1,817,257 (136.16%)	Pended. Minutes 18-5-1995.
(v)	595,916,510	450,460,797	(-) 145,455,713 (24.40%)	Partly settled. Minutes dated 28-1-1993. Minutes dated 17-5-1995.
25. Communications	548,362,710	466,419,168	(-) 81,943,542 (14.94%)	Pended. Minutes dated 21-12-1995.
26. Housing & PP	230,647,410	257,368,653	(+) 26,721,243 (11.58%)	Partly settled. Minutes dated 17-4-1993.
27. Relief	23,648,710	18,852,907	(-) 4,795,803 (20.28%)	Not discussed
28. Pensions	1,279,183,000	1,513,157,338	(+) 233,974,338 (18.29%)	Not discussed
29. Stationery & Printing	82,113,610	61,458,112	(-) 20,655,498 (25.15%)	Not discussed
30. Subsidies	1,472,682,100	2,280,841,000	(+) 808,158,900 (54.88%)	Pended. Minutes dated 18-2-1992
31. Miscellaneous	856,926,710	919,728,218	(+) 62,801,508 (7.33%)	Partly settled. Minutes dated 16-3-1992
33. State Trading in Food Grain & Sugar (c)	508,600,000	729,025,795	(+) 220,425,795 (43.33%)	Pended. Minutes dated 18-2-1992
(v)	6,939,335,000	6,376,036,108	(-) 563,298,892 (8.11%)	Pended. Minutes dated 18-2-1992

Continued ...

Table III – concluded

34. Schemes of State Trading in Medical Stores & Coal	617,716,280	564,942,722	(-) 52,773,558 (8.54%)	Not discussed.
35. Loans to Government Servants	170,000,000	84,150,615	(-) 85,849,385 (50.49%)	Not discussed.
36. Development	3,923,401,730	3,848,904,434	(-) 74,497,296 (1.89%)	Partly settled. Minutes dated 19-11-1991.
37. Irrigation Works	639,308,000	1,302,083,104	(+) 662,775,104 (103.67%)	Partly settled. Minutes dated 19-11-1991 26-12-1994 and 28-11-1991
39. Industrial Development	15,254,000	14,691,100	(-) 562,900 (3.65%)	Not Discussed.
40. Town Development	311,000,010	89,754,608	(-) 221,245,402 (71.13%)	Partly settled. Minutes dated 17-11-1993

41. Roads and Bridges	1,927,000,010	2,349,363,336	(+) 422,363,326 (21.95%)	Partly settled. Minutes dated 17-11-1993
42. Government Buildings	2,434,256,010	2,328,297,768	(-) 105,958,242 (4.35%)	Partly settled. Minutes dated 17-11-1993
43. Police Projects	10,107,000	5,103,500	(-) 5,003,500 (49.50%)	Not discussed
44. Loans to Municipalities, Autonomous Bodies	1,019,918,000	861,146,093	(-) 158,771,907 (15.57%)	Partly settled. Minutes dated 29-12-1992
Nil. Permanent Debt	(c) 51,698,900	50,599,220	(-) 1,099,680 (2.13%)	Not discussed
Nil. Floating Debt	(c) 4,978,304,000	4,894,977,335	(-) 83,326,665 (1.67%)	Not discussed
Nil. Repayment of Loans from the Federal Govt.	(c) 3,098,351,000	3,098,195,266	(-) 155,734 (0.005%)	Not discussed
Nil. Interest on Debt & other obligations	(c) 5,068,703,010	5,628,162,803	(+) 559,459,793 (11.03%)	Not discussed
Nil. Privy Purses	(c) 1,600,000	1,600,000	—	Not discussed

Agriculture Department

Overview

Total Paras	Civil	Commercial
70	21	49

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Noted 22	The paras were noted as no further action was required either because they were of descriptive nature or contained Accounts and departmental financial reviews.	Commercial: 1, 2, 4, 5, 6, 20, 26, 27, 28, 29, 30, 36, 37, 38, 39, 40, 45, 46, 47, 48, 49, 50.	22	
Paras Finally Settled 38	Paras finally settled as the requisite action had been taken.	Civil: 1.1.1(1), 1.2.2, 1.2.3, 1.2.5, 1.3.1, 1.6.1. Annexure Paras: 1(1)(i,ii,iii), 2(1), 2(2), 2, 3(2), 3(3). Commercial: 3(i - viii), 3(xix, xx), 9, 21, 22, 23, 24, 25, 31, 32, 33, 34, 35, 42, 43, 44.	6 8 24	
Paras Conditionally Settled 1	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Civil: 1.5.1.	1	
Paras Pended 9	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 1.1.1(2), 1.2.1, 1.2.4, 1.5.2. Annexure Paras: 1(1)(iv), 2. Commercial: 7, 8, 41.	4 2 3	

Discussed on 19 November 1991, 16 March 1992, 16-18 January 1993, 16 January 1995, 17 & 19 October 1996 and 23 May 2002.

(Civil Audit)

1. Para 1.1.1(1): Page 32 – Non-recovery from Mr. Muhammad Anwar Due to Non-depositing into Treasury Rs.9,130.20

19-11-91: The Department informed the Committee that the total recovery had been effected and got verified by Audit. Moreover, the defaulting official had been administered a warning after the departmental inquiry. **The para was settled.**

2. Para 1.1.1(2): Page 32 – Embezzlement Rs.23,943

19-11-91: The Committee was informed that the defaulter Mr. Yousaf Masih, Field Assistant, had been dismissed from service as a result of departmental inquiry and a criminal case had been got registered against him but the accused absconded and his whereabouts were not known. The case was pending in the Court. The para was kept pending.

16-3-92: No progress had been made by the Department to recover the embezzled amount from the dismissed official. The Committee observed that the case had not been pursued properly. The Department assured the Committee that solid progress would be submitted in the next meeting. The para was kept pending.

16-1-95: The Department explained that for the recovery of Rs.23,943 from Yousuf Masih, Ex-Field Assistant, who had been declared absconder by the Court of Special Judge, Anti-Corruption, Bahawalpur, the Assistant Commissioner, Samundari had been asked to recover the amount as arrears of land revenue. The Assistant Commissioner had given a certificate on 12-1-1995 to the effect that the absconder had no movable or immovable property in Samundari in his name. The Committee directed that a final effort may be made by the Administrative Department to pursue the recovery, at personal level, with the District Collector. **The para was kept pending.**

3. Para 1.2.1: Page 33 – Misappropriation of Pesticides Rs.248,936

19-11-91: The Department explained that the cases to write-off the loss of ineffective/ leaked pesticides was under process. Therefore, a Committee had been constituted to find out ways and means to destroy the stock of expired pesticides. The para was kept pending.

16-3-92: The Committee directed the Department to take action against the concerned officers/officials under E & D Rules for misappropriation of pesticides and report progress in the next meeting. The para was kept pending.

16-1-95: The following decisions were taken:-

- 1) The case where recovery of Rs.62,170/51 had been made verified and was settled.
- 2) The following cases were settled subject to verification:-
 - a) Write-off Sanction Rs.24,938.25
 - b) Entries Exist Rs.28,657.77
 - c) Double Entries Rs.6,696.87
 - d) Wrong Entries Rs.3,996
- 3) The following cases were kept pending for write off and recoveries respectively:
 - a) Write off in process Rs.92,080/45
 - b) Recoverable from Lal Din, F.A. Rs.14,453/12
 - c) Recoverable from Muhammad Hanif, ex-F.A. Rs.15,943/03

The para was kept pending.

4. Para 1.2.2: Page 33-34 – TA Paid Without Tour Rs.12,941

19-11-91: The Committee noticed that the amount of TA/DA unauthorizedly drawn by the official had been recovered but no punishment had been awarded to him except a warning. The Department was directed that suitable punishment should also be given to the official and report communicated to the Public Accounts Committee in its next meeting. The para was kept pending.

16-3-92: The Committee directed that the Inquiry Officer, Authorized Officer and the authority should appear in person before the Committee in the next meeting with complete record and enquiry reports and explain the mechanism of imposition of punishments on Muhammad Rashid H/C. The copies of the inquiry report already held in this case be submitted to the Public Accounts Committee and Audit within a week. The para was kept pending.

16-1-95: The Department explained as per directive of the Public Accounts Committee, dated 19-11-1991, an inquiry had been conducted and Muhammad Rashid, Senior Clerk to the Assistant Director of Agriculture, Lahore had been proved guilty. The following punishments had been awarded to him:-

- i) Recovery of the amount;
- ii) Stoppage of next two annual increments and
- iii) Debarred from cash duty in future.

The Committee observed that stoppage of increment and recovery of the amount was not sufficient punishment. The Department explained that recovery was a major penalty which affected future service of the defaulter. As the recovery had been verified by Audit, the **para was settled.**

5. Para 1.2.3: Page 34 – Non-accountal of POL and Other Material Rs.35,059

19-11-91: The entries in the log book having been made and verified by Audit, the **para was settled.**

6. Para 1.2.4: Page 35 – Misappropriation of Pesticides Rs.228,130

19-11-91: The case being sub judice, the para was kept pending.

16-3-92: All the three accused, namely, Abdul Rashid, Muhammad Amin, and Muhammad Sarwar, were suspended last week.

The Committee directed the Department to finalize the disciplinary proceedings under E & D rules and report progress in the next meeting. The para was kept pending.

16-1-95: The Department stated that actual amount involved was Rs.231,699.65 instead of 228,130 as mentioned by Audit, out of which recovery of Rs.28,191.60 and accountal of Rs.34,748.24 had been verified by Audit. The case of remaining amount of Rs.168,759.81 was

sub judice. The next date of hearing had been fixed for 8-2-1995. The Committee directed the Department to make vigorous efforts for the recovery of the balance amount. The para was reduced to the balance amount. **The para was kept pending.**

7. Para 1.2.5: Page 35 – Misappropriation of Government Money Rs.2,734,941.60

19-11-91: The Department was directed to get the record verified by Audit subject to verification by Audit, the para was settled.

16-3-92: The Committee directed the Department to produce in the next meeting all relevant record including cash book and cheque books counterfoils for scrutiny and inspection. The para was kept pending.

16-1-95: The relevant record i.e. cash book, cheque books counterfoils had been verified by Audit. Therefore, the **para was settled.**

8. Para 1.3.1: Page 36 – Unauthorized Drawal of House Rent and Conveyance Allowance Rs.26,472

19-11-91: The recovery of the amount having been effected and verified by Audit, the **para was settled.**

9. Para 1.5.1: Page 36 – Shortage/Leakage of Pesticides Rs.101,539

19-11-91: This para was interconnected with Para 1.2.1. The Department was directed to get the unserviceable stock disposed of expeditiously, through the Committee already constituted by them. The para was kept pending.

16-3-92: The Department sought two months time to finalise disciplinary proceedings under E & D rules against the concerned Officers/Officials responsible for shortage of pesticides.

The Committee decided to refer this para for detailed examination to a Sub Committee comprising the following Members:-

- | | |
|---|----------|
| 1) Malik Iqbal Ahmed Khan Langrial, MPA | Convener |
| 2) Malik Ahmad Ali Aulakh, MPA | Member |
| 3) Haji Ghulam Haider Khan Khichi, MPA | Member |

The Department was directed to submit its progress report in this matter to the Sub Committee within a month. The para was kept pending.

16-1-95: The Department explained that out of actual recoverable amount of Rs.101,304 on account of shortage/leakage of pesticides, a sum of Rs.5,770 had been recovered and the balance had to be written off as the leakage of the pesticides had been declared genuine by the Departmental Inquiry Committee.

The Committee directed that the Department should pursue the case for the write off with the Finance Department and in future, get the write off sanction store-wise and not item-wise.

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

10. Para 1.5.2: Page 37 – Uneconomical Maintenance of Pesticides Stores Wasteful Expenditure Rs.107,100

19-11-91: This para was interconnected with Paras 1.2.1 and 1.5.1. The Committee decided that a direction be issued to the Disposal Committee set up by the Department that the disposal of the unserviceable pesticides should be finalised within 45 days as huge amount was still being paid by the exchequer for the storage of these useless stores. The para was kept pending.

16-3-92: The para was referred to the Sub Committee for detailed examination. The Committee decided to write to the Chief Minister for taking early decision in the matter and requested the representative of the Finance Department, to send a self-contained D.O. Letter from the Chairman to the Chief Minister. A copy of the Summary already sent by the Department to the Chief Minister may also be supplied to the Public Accounts Committee. The para was kept pending.

16-1-95: The Department explained that for disposal of the expired pesticides in the Cholistan Desert, the Chief Minister had approved a Summary, but when the dumping in ditches was started in Cholistan, the resident of area obtained a stay order from the Supreme Court and the work was stopped. However, a fresh summary had been sent to the Chief Minister, seeking approval for burying the expired pesticides in the nearest barren land. As soon as the summary is approved the pesticides will be disposed of within one month. The Committee directed that the court case as well as the summary to the Chief Minister may be pursued for early decision and in the meantime all efforts may be made to minimise the number of stores within one month and a report in this respect be submitted in the next meeting. **The para was kept pending.**

11. Para 1.6.1: Page 37 – Irregular Payment of Subsidy Rs.8,783

19-11-91: Record having been verified by Audit, the **para was settled.**

Annexure Paras

12. Paras 1(1)(i-iii) (1981-82): Page 244 – Serial 1, Loss of Rs.231,335

Items i-iii

19-11-91: The Committee was informed that after Audit verification the amount of the para had been reduced to Rs.51,842.23 and efforts to recover the same were in progress. The paras were kept pending.

Item-i: Rs.231,335

16-3-92: The Committee directed that efforts be made to recover the balance amount. The para was kept pending.

Item-ii: Rs.69,766

16-3-92: The Committee directed that efforts be made to recover the balance amount. The para was kept pending.

Item-iii of Rs.23,309

16-3-92: The Committee directed that efforts be made to recover the balance amount. The para was kept pending.

16-1-95: It was explained that out of the amount of Rs.231,335, a sum of Rs.129,190 had been recovered and verified by Audit. Existence of entries to the tune of Rs.54,577 had also been verified by Audit. Recovery of the balance of Rs.47,567 was yet to be verified by Audit. So far as the recovery of Rs.8,867 from Mir Ahmed was concerned, the PAC was informed that the accused had been declared absconder since 19-11-1986 and had not been traced/ arrested so far.

The Committee directed that case for the write off of the loss of Rs.8,867 should be moved to the Finance Department on merits. Subject to verification of the recovery and the write off of the balance amount, the **para was settled.**

13. Para 1(1)(iv) (1981-82): Page 244 – Serial 1, Non-deposit of Government Money into Treasury Rs.30,061

19-11-91: The relevant record be got verified by Audit and departmental action against the defaulters may also be taken.

16-3-92: The actual recoverable amount should be Rs.51,842/23 and not Rs.30,061

The Committee directed the Department to register a criminal case against the absconder to effect recovery of the said amount in consultation with the Law Department, in view of the circumstances of the case. The para was kept pending.

16-1-95: The Department informed the Committee that the defaulter, Mr. Asghar Ali Asghar, Agriculture officer had been declared absconder by Military Court and had been dismissed from service with effect from 16-3-1980, FIR had been registered against him on 18-1-1994 and District Collector, Faisalabad, had been asked to effect recovery as arrears of land revenue. The Finance Department pointed out that although the PAC had directed in March, 1992 for the registration of a police case but it had been lodged on 18-1-1994 which showed slackness on part of the Department. The Committee directed the Department to make vigorous efforts to trace out the accused and effect recovery. **The para was kept pending till finalisation of the recovery.**

14. Para 2(1) (1981-82): Page 244 – Serial 2, Recovery of Deferred Payment of Rs.485,506

19-11-91: The Department explained to the Committee that full recovery of the amount had been effected and would be got verified by Audit. Subject to verification by Audit, the para was settled.

16-3-92: The recovery of the balance amount of Rs.293,567/82 had since been verified by Audit. **The para was settled.**

15. Para 2(2) (1981-82): Page 244 – Serial 3, Outstanding Recoveries Rs.150,849

19-11-91: Full amount having been recovered and verified by Audit, the **para was settled.**

16. Para 2 (1980-81): Page 244 – Serial 4, Misappropriation of Rs.595,554

19-11-91: The Committee was informed that recovery had been effected. Subject to

verification by Audit, the para was settled.

16-3-92: The Audit having verified the recovery and deposit of the balance amount of Rs.11,573/30, the **para was settled.**

17. Para 3(2) (1980-81): Page 244 – Serial 5, Shortage of Pesticides Rs.050,630

19-11-91: The Department was directed to get the write off sanction expeditiously. The para was kept pending.

16-3-92: The Committee directed that in all such cases of write off which had been sent by the Administrative Department to the Finance Department the inquiry reports on the basis whereof the write off had been recommended by the Department, should also be brought in the next meeting of the Committee. The para was kept pending.

16-1-95: Write off sanction having been verified by Audit, the **para was settled.**

18. Para 3(3) (1980-81): Page 244 – Serial 6, Shortage of Pesticides Rs.26,701

9-11-91: The Department explained that the write off case was pending with the Finance Department. The para was kept pending.

The Committee was informed that both the accused had been dismissed from service and punishment had also been awarded by the Court. Case for write off the amount was pending with the Finance Department. The para was kept pending.

16-3-92: The Committee directed the Department to Submit Enquiry Officer's report in the next meeting. The para was kept pending.

16-1-95: It was explained that in pursuance of the observation of the Audit, departmental inquiry had been conducted and a case for write off of the loss had been put up to the Finance Department who had granted it. **The para was settled** accordingly.

19. Para 2 (1979-80): Page 244 – Serial 7, Embezzlement of Rs.206,966

19.11.91: The committee was informed that both the accused had been dismissed from service and reinstatement had also been accorded by the Court. The case for write off the amount was pending with the Finance Department. The para was kept pending.

16-3-92: It was reported by the Department that both the accused were convicted by Court of Law and they were undergoing their sentences.

In view of the Court's decision, the Committee asked the Finance Department to finalise the write off case already pending with it. Subject to write off by Finance Department, the para was settled.

16-1-95: In this para an amount of Rs.205,129 had been embezzled by two officials of the Department who were convicted by the court. The Finance Department pointed out that the embezzlement had occurred due to the negligence of the DDO who did not check the entries in cash book regularly as required by law. The Department explained that an inquiry had been conducted against the defaulting DDO but he was exonerated on 6-3-1990 by the competent authority. Therefore, a case for the write off of the loss had been submitted to the Finance Department.

The para was kept pending for decision of the write off of six cases by the Finance Department.

(Commercial Audit)

1. Para 3(i-viii): Page 5 – Non-compilation of Accounts

17-1-93: The Accounts of Agricultural Engineering, Workshops Bahawalpur, D.G. Khan, Faisalabad, Gujranwala, Lahore, Multan, Rawalpindi and Sargodha for the year 1986-87 to 1987-88 have been prepared and got verified, therefore, the **paras were settled.**

2. Para 3(xix-xx): Page 6 – Non-compilation of Accounts

16.1.93: Accounts of the organization up to 1988-89 having been received and verified by Audit, the paras were settled.

17.10.96: The paras had already been settled in the PAC meeting held on 16.1.1993.

Punjab Agriculture Development and Supplies Corporation

3. Para 7: Page 15 – Defalcation of Fertilizer Rs.1,095, 028 Million

16.1.93: It is a composite para comprising 23 cases which were taken up individually.

Serial No. 1 Rs.10,966

Recovery having been verified by Audit, the **item was settled.**

17.10.96: The department explained that it was a composite para comprising 23 cases and detailed position was as under:-

Item No. 1 Rs.10,966

The Department explained that this item had already been settled by PAC on 16.1.1993. **The item was disposed of.**

Serial No. 2 Rs.1,305

16.1.93: Subject to verification of the write off by Audit, the item was settled.

17.10.96: The Department explained that write off sanction of Rs.1,305 had since been accorded and verified by Audit, the **item was settled.**

Serial No. 3 Rs.886

16.1.93: Recovery of Rs.886 having been verified by Audit, the **item was settled.**

17.10.96: The Department explained that this item had already been settled by the PAC on 16.1.1993 and therefore, the **item was deleted.**

Serial No. 4 Rs.1,500

16.1.93: Subject to the write off by competent authority and its verification by Audit, the item was settled.

17.10.96: The Department explained that write off sanction of Rs.1,500 had since been accorded and verified by Audit. Accordingly, the **item was settled.**

Serial No. 5 Rs.16,642

16.1.93: The Department explained that the accused had been exonerated by the Court. Hence the case for write off would be referred to the Board. The item was kept pending.

17.10.96: The Department explained that the case for the write off sanction of Rs.16,642 had been processed and would be finalized by PAD & SC Board of Members.

The item was settled subject to write off sanction and verification of the same by Audit.

Serial No.6 Rs.7,500

16.1.93: Material taken into account by the Department. Subject to verification by Audit, the **item was settled.**

17.10.96: The Department explained that material worth Rs.7,500 had already been taken into account by the Department and also verified by Audit. The explanation was accepted and the **item was settled.**

Serial No. 7 Rs.30,532

16.1.93: The Department was directed to check whether the decision to convert long tones into metric tons was justified and got it re-verified by Audit. The item was kept pending.

17.10.96: The Department explained that long tons were converted into metric tons to bring the same in accordance with the prevailing metric system of weight. It was also assured that there was no loss to the Corporation.

The item was settled subject to verification of Departmental contention that the said conversion of long tons to metric tons brought no loss to the Government.

Serial No. 8 Rs.5,819

16.1.93: Recovery having been effected and verified by Audit, the item was settled.

17.10.96: The Department stated that the item had already been settled by the PAC on 16.1.1993. Accordingly, the **item was disposed of.**

Serial No. 9 Rs.72,035

16.1.93: The Department explained that recovery of Rs.20,931 had been effected and the case for write off for the balance was under process. Subject to write off and its verification by Audit, the item was settled.

17.10.96: The Department explained that actual remaining amount of Rs.41,105 had since been written off by the Board of Members. The position had already been verified by Audit. Accordingly, the **item was settled.**

Serial No. 10 Rs.1,476

16.1.93: Recovery having been effected and verified by Audit, the item was settled.

17.10.96: The Department stated that the item for Rs.1,476 had already been settled by the PAC on 16.1.1993. Accordingly, the **item was disposed of.**

Serial No.11 Rs.27,006

16.1.93: The Department explained that Rs.7,760 had been recovered and Rs.19,336 were outstanding against the accused against whom a criminal case had been lodged and he had absconded.

The Department was directed to examine the case for including the corporation's employees in the purview of the Anti-corruption Laws and report in its next meeting. The item was kept pending.

17.10.96: The Department explained that as per directive of the PAC dated 16.1.1993 the case was examined as to whether the employees of the corporation fell within the purview of the Anti-Corruption Laws or not. It was found that as per decision of Lahore High Court the Punjab Agricultural Development & Supply Corporation employees being not Government employees, could not be included within the purview of the Anti-Corruption Laws. Presently the case was in the court of ADC (G) Kasur. The defaulter had absconded and did not appear in the court since 1982.

The Department was directed to pursue the case in court vigorously and also to provide detailed report showing the progress of the court case to the PAC in the next meeting. **The item was kept pending.**

Serial No.12 Rs.28,973

16.1.93: The Department was directed to pursue the case vigorously at personal level so that recovery could be effected. The item was kept pending.

17.10.96: The Department explained that the amount of this item was also included in the amount of Item No.13 i.e. Rs.258,525 and therefore, this item may be deleted from here.

The PAC kept the item pending and directed Audit Department to verify the contention of the department. The department was further directed to produce the relevant record to the Audit for verification. **The item was kept pending.**

Serial No.13 Rs.258,525

16.1.93: The Department was directed to inform the Committee whether appeal against the orders of the Judicial Magistrate, acquitting the accused officials, had been lodged or not. If not, who was responsible for this negligence. The item was kept pending.

17.10.96: The Department explained that four Officers were held responsible for the defalcation of Rs.258,525 on account of fertilizers. Out of them three officers went into court against departmental proceedings from where they were acquitted. One of them remained absconded. The SP Kasur was being pursued for the apprehension of the absconded officer. A case for preferring an appeal by the Department was under examination.

The PAC observed that acquittal of the defaulters from the court did not stand in the way of the department from effecting recovery while they were in service. The PAC also showed displeasure over non-compliance of the directives of PAC dated 16.1.1993 wherein the PAC desired for lodging an appeal against the decision of acquittal of the defaulters. The PAC directed to effect recovery from the Officers under the Law and the rules, who were still in service in the shortest possible time. **The item was kept pending.**

Serial No. 14 Rs.146,977

16.1.93: The Committee was informed that the defaulter had been dismissed from service but appeal against his acquittal was pending decision in the Civil Court. The case was sub

judice. The Department was directed to pursue the case vigorously. The item was kept pending.

17.10.96: The Department apprised the Committee that they had preferred an appeal in the Court of District and Sessions Judge, Toba Tek Singh against the orders of Senior Civil Judge. The next date of hearing was.

19.10.1996: The PAC directed the Department to pursue the case vigorously in the Court. **The item was kept pending.**

Serial No.15 Rs.410

16.1.93: Recovery having been verified by Audit, the item was settled.

17.10.96: The Department stated that the item had already been settled by the PAC on 16.1.1993. **The item was disposed of.**

Serial No.16 Rs.4,302

16.1.93: The Department explained that the defaulter had been dismissed from service but had been acquitted by the Court. Therefore, the amount had to be written off by the Competent Authority. Subject to the sanction of the write off and its verification by Audit, the item was settled.

17.10.96: The Department explained that the case was being processed for the write off sanction of the loss.

The item was settled subject to write off sanction and its verification by Audit.

Serial No.17 Rs.8,625

16.1.93: The defaulters had been acquitted by the court but dismissed from service by the Department. Amount to be written off. Subject to the sanction of write off by the competent authority and its verification by Audit, the item was settled.

17.10.96: The Department explained that the case was being processed for the write off sanction of the loss.

The item was settled subject to write off sanction and its verification by Audit.

Serial No. 18-19 Rs.44,775 and Rs.8,200

16.1.93: The Department was directed to get reconciliation done with Audit. **The items were kept pending.**

Item No. 18 Rs.44,775

17.10.96: On the previous direction of the PAC, the Department reconciled the position with Audit and on the recommendation of Audit, the **item was settled.**

Item No. 19 Rs.8,200

17.10.96: The Department explained that the matter had been reconciled with Audit. Therefore, on the recommendation of Audit. **The item was settled.**

Serial No.20 Rs.376,160

16.1.93: The Department informed the Committee that the case registered against the

defaulter had been returned to them due to incomplete *challan*. The file remained missing for quite some time and had now been traced. *Challan* re-submitted on 11-11-1992 to the R.M. Addu. However, Ghulam Farid, the defaulting official, had been dismissed from service. The Finance Department inquired about the period during which the shortages occurred. The Department replied that in 1987-88, when accounts of the Organization were consolidated, total losses of Rs.9 crore were detected on various accounts but after the accounting system was adopted there were no losses.

The Committee did not feel satisfied with the Department's action as a result of which the accused supervisor was dismissed from service because, in their opinion, about 4000 bags of fertilizer could not be taken away by the Supervisor alone. On demand, inquiry report could not be produced. The Department was directed to re-examine the case and fix responsibility. The item was kept pending.

17.10.96: The Department explained that after adopting all departmental procedures and actions under the rules including inquiry etc. it was found that Mr. Ghulam Farid, Supervisor was responsible for the defalcation. He was dismissed from service and criminal case was also being pursued against him.

The PAC was not satisfied with the explanation and action taken by the Department and observed that it was not possible for a single person to take away 4,000 bags of fertilizer. Also the Department did not comply with the directive of PAC dated 16-1-1993 despite the lapse of about four years which was not appreciable. Accordingly, the PAC directed that previous directive of PAC dated 16.1.1993 may be complied with in letter and spirit and inquiry be conducted to find out the factual position about the said defalcation and persons responsible for the same. The Department would also ascertain as to who was responsible for non-compliance of PAC's previous directives. This process including action for holding enquiry and fixing responsibility be completed upto 31-12-1996, positively. **The item was kept pending.**

Serial No.21 Rs.31,795

16.1.93: Recovery having been effected and verified by Audit, the item was settled.

17.10.96: This item had already been settled by the PAC on 16.1.93. **The item was disposed of.**

Serial No.22 Rs.7,500

16.1.93: It was explained that the accused had been sentenced for six month's RI plus Rs.500 fine or one month's RI. The defaulter underwent both the sentences and did not pay the fine. Subject to the write off and its verification by Audit, the item was settled.

17.10.96: The Department explained that a case for write off sanction was under process. **The item was settled subject to write off sanction** of loss and its verification by Audit.

Serial No.23 Rs.11,599

16.1.93: In this case, accused had been acquitted by the lower court and appeal of the Department against the decision had also been dismissed by the High Court. Subject to the write off and its verification by Audit, the item was settled.

17.10.96: The Department explained that the case for write off sanction was under process.

The item was settled subject to write off sanction of the loss and verification of the same by Audit. The para was composite and kept pending.

4. Para 8: Page 15-16 – Loss of Rs.4.397 Million on Disposal of Damaged Fertilizer

16-1-93: As suggested by the Department each station was discussed separately:-

1. Rs.298,179 (Sargodha)

16-1-93: The Department explained that the payment of damaged stock of fertilizer was made at concessional rates to FDFI Karachi as such no loss to the Corporation was involved. The Administrative Secretary was directed to examine how the damaged or sweep quality of fertilizer was sold to the farmers because in actual practice uniform rates are charged from the farmers. The report should be submitted in the next meeting. The item was kept pending.

17-10-96: The Department explained that the damaged stock of fertilizer was not sold to farmers rather it was disposed of through auction. Also there was no loss sustained to the Punjab Agricultural Development & Supplies Corporation as the cost of damaged stock was less than the auction rates.

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

2. (a) 7855 bags (Sahiwal)

16-1-93: The Department informed the Committee that, as a result of departmental inquiry, three persons were held responsible for the loss while one was exonerated. Case for final decision was pending with the Competent Authority. The Committee directed that the Department should finalize action within a month. The item was kept pending.

17-10-96: The Department explained that disciplinary cases against the defaulters were under process and were yet to be finalised. The PAC was not satisfied and observed that the explanation given by the Department was sketchy lacking necessary details. It also seemed that nobody was serious to pursue the audit observations. The Department could not inform the PAC as to what sort of disciplinary action was being processed against the defaulters. Therefore, the Department was directed to furnish full details of the facts of the case and the disciplinary action against the defaulters. As directed previously on 16.1.1993 the action be completed within three months. **The item was kept pending.**

(b) 854 bags of DAP

16-1-93: Audit pointed out that the material was sold at reduced rates with the approval of the MD who was not the Competent Authority. The Department admitted that the MD was not competent to reduce the rates. It was within the purview of the board to do so. The Committee directed that the Department should hold an inquiry as to how the material was damaged and who was responsible for it. The inquiry report should be submitted in the next meeting. **The item was kept pending.**

Item No. 2(b-i) (854 Bags of DAP)

17-10-96: The Department explained that out of 854 bags, 708 bags had already been included in Para 10 of the Audit Report for the year 1984-85. The remaining 146 bags of DAP were auctioned @ Rs.73 per bag against the actual rate of Rs.146 per bag. This sale of DAP on

lower rate resulted in a loss of Rs.10,658. The sale at the lower rate was executed by the M.D. which was beyond his competence. The said trading loss would be got written off by the PAD & SC, Board of Members.

The PAC was not satisfied with the explanation and noted that the Department had not acted on the directive of the PAC issued previously on 16.1.1993 in which the Department was directed to conduct an enquiry as to how the material was damaged and who was responsible for the same. The inclusion of 708 bags in Para 10 of the Audit Report for the year 1984-85 should also be got verified by Audit. Vide PAC's directive dated 16-1-93, the inquiry was required to be conducted, responsibility to be fixed and recovery to be made, but the Department had not taken any action even after the lapse of four years. The PAC directed that the Administrative Secretary should refer the case to the Chief Secretary for initiating case against the MD for acting beyond competence and causing loss to the corporation. **The item was kept pending.**

Item No. 2 (b-ii) 113 Bags Worth Rs.12,430

16-1-93: As the fertilizer had been sold at full rates and verified by Audit, the item was settled.

17-10-96: This item had already been settled by the PAC on 16.1.1993.

Item No.2(b-iii) 557 Bags Worth Rs.61,270

16-1-93: Audit pointed out that this stock was disposed of at reduced rates causing a loss of Rs.19,945. The Department explained that the organization did not sustain any loss because the fertilizer had been received damaged. The item was settled.

17-10-96: This item had already been settled by the PAC on 16.1.1993.

Item No. 3 Rs.275,553 (Sahiwal).

16-1-93: The Committee directed that reconciliation should be got done with Audit for the net loss and then the trading loss should be got regularized by the Board. The M.D. was directed to see into the matter of rain-losses and whether any inquiry was held to fix the responsibility and the reduced rates were fixed by the Competent Authority. The item was kept pending.

17-10-96: The Department was again directed that reconciliation should be done with the Audit to ascertain the net loss and then the trading loss should be got regularized by the Board of Members. **The item was kept pending** till write off sanction by the Board.

Item No. 4 Rs.2,076,830 (Sahiwal/Okara)

16-1-93: The Department explained that the stock was received in 1975-76 but was disposed of in 1986-87. The fertilizer was sold at reduced rates approved by the MD and, as Audit correctly pointed out, who was not competent to do so. The Department was directed to put the case before the Board for regularization. The item was kept pending.

17-10-96: The Department explained that case for regularization of the actual loss Rs.1,851,141 had been prepared and would be placed before the Board in its next meeting.

The PAC was not satisfied with the explanation and expressed that mere regularization of loss was not sufficient as the main factor, that the officer who exceeded his competence had caused loss to Government to the tune of Rs.18,51,141, was ignored altogether. Therefore, the Department was directed to make a reference to the Chief Secretary to initiate action against

the then MD, PAD and SC who exceeded his competence and sold the fertilizer at reduced rate which resulted in a loss of Rs.1,851,141 to the Government. The Department was also directed to get the loss regularized by the Board. **The item was kept pending.**

Item No. 5 Rs.33,170 (Bahawalpur)

16-1-93: The position had been verified by Audit. **The item was settled.**

18-1-93: The Committee also considered the following Sub-Paras of Draft Para 8 which were left over in the meeting of 16-1-1993.

Rs.33,170 (Bahawalpur).

Since the effected bags of fertilizer were sold at the reduced rate at which payment was made by the corporation which resulted in no loss to the Corporation. On the recommendation of Audit, the **para was settled.**

Rs.18,100 (Lahore)

16-1-93: Actual loss of Rs.1,509/84 had been written off. The item was settled subject to verification by Audit.

18-1-93: It was stated that the actual net loss of Rs.1,509/84 had since been written off by the Competent Authority. Subject to verification of write off authority by Audit, **this item was settled.**

Item No.5 and 6 (Bahawalpur & Lahore)

17-10-96: These items had already been settled by the PAC on 18.1.1993.

Faisalabad Rs.180,137

16-1-93: The Committee directed that inquiry be held to determine the causes of losses and fix responsibility. The item was kept pending.

17-10-96: The Department explained that enquiry proceedings were in progress.

The Committee was not satisfied with the reply submitted by the Department as the direction was given by the PAC on 18.1.93 i.e. 4 years back.

The PAC took a serious notice of this negligence and directed the Administrative Secretary to take a serious notice of all these paras where directive of PAC had not been complied with and to prepare report in this regard for disciplinary action against the defaulters. This action should be completed within three months. Similar action be taken for the paras relating to Audit Reports for the year 1988-89 and 1989-90. **The item was kept pending.**

Rahim Yar Khan – Rs.521,867.

16-1-93: The Committee directed that inquiry be held to determine the causes of the losses and fix responsibility. The item was kept pending.

17-10-96: The Department explained that enquiry proceedings were in progress.

The Committee was not satisfied with the explanation of the Department viewing that the Department had wasted a long time by not taking timely action on the directive issued by the PAC on 18.1.1993 about four years back. The Administrative Secretary was directed to take a serious notice of this lapse. It was also directed that similar action should be taken for the paras of Audit Reports for the year 1988-89 and 1989-90 in which identical instructions were given by the PAC. **The item was kept pending.**

Muzaffargarh – Rs.381,587

16-1-93: The Committee directed that inquiry be held to determine the causes of losses and fix responsibility. The item was kept pending.

18-1-93: In this case, the department was directed to hold inquiry and fix responsibility for the losses. The item was kept pending.

17-10-96: The Department explained that enquiry proceedings were in progress.

The Committee was not satisfied with the explanation of the Department viewing that the Department had wasted a long time by not taking timely action on the directive issued by the PAC on 18.1.1993 about four years back. The Administrative Secretary was directed to take a serious notice of this lapse. It was also directed that similar action should be taken for the paras of Audit Report for the year 1988-89 and 1989-90 in which identical instructions were given by the PAC. **The item was kept pending.**

Mianwali – Rs.134,830

16-1-93: The Department explained that inquiry was held. It was established that stock was damaged due to rain no body was held responsible for the loss. Hence the matter would be regularized in the next meeting of the Board. Subject to regularization by the Board and its verification by Audit, the item was settled.

18-1-93: Audit verified actual rain effected fertilizer loss to the tune of Rs.62,610 instead of Rs.134,830.

It was stated that inquiry had been held and the damage had been caused due to circumstances beyond human control and no one was held responsible for the loss. It was further stated that case for regularization of this loss had been prepared for Board of Directors meeting.

The Committee decided to settle this item subject to regularization by the Board and verification by Audit.

17-10-96: The Department explained that the case was under process for the write off sanction by the Competent Authority. **The item was kept pending** subject to write off sanction. **The para was composite and kept pending.**

Punjab Seed Corporation

5. Para 9: Page 16 – Loss of Rs.505,888 Due to Wrong Decision for Award of Work

16-1-93: The Committee desired to know the reasons for ignoring the lowest bidder and splitting the work because after issuance of the tenders, work could not be splitted. The Department replied that the Work was split up for rapid completion. Moreover, an Inquiry Committee of Revenue inquired into the whole matter and the then MLA, General Sawar Khan, exonerated the MDA. The Director Finance had left country in 1978 and was an absconder.

The Committee observed that irregularity was there but there was no vested interest involved because the competition appeared to be quite fair. The para was settled.

17-10-96: **The para had already been settled** in the PAC meeting held on 16.1.1993.

Agricultural Engineering Division, Bahawalpur

6. Para 21: Page 59 – Working Results

17-1-93: The Department explained that the decline in income during the year was due to various factors. Bulldozer rate was decreased from Rs.187 per hour to Rs.154 per hour. The wages were increased by 20% and subsidy was also reduced. Moreover bulldozers had also become old. The explanation of the Department was accepted and the **para was settled.**

7. Para 22: Page 60 – Non-confirmation of Stores Transferred and Received

17-1-93: Audit stated that inter-divisional transfer of stores has now been reconciled/verified. **The para was settled.**

8. Para 23: Page 60 – Pensionary Charges

17-1-93: Audit observation was being complied with subsequent years. **The para was settled.**

9. Para 24: Page 60 – Non-maintenance of Assets Register

17-1-93: Audit observation was being complied with. **The para was settled.**

10. Para 25: Page 60 – Non-maintenance of Books of Accounts on Commercial Pattern

17-1-93: Audit observation was being complied with. **The para was settled.**

Agricultural Engineering Division, Dera Ghazi Khan

11. Para 31: Page 75 – Working Results

17-1-93: The para was similar to para 21 page 59 for the year 1987-88. The explanation of the Department was accepted. **The para was settled.**

12. Para 32: Page 76 – Non-maintenance of Record of Stores

17-1-93: The record had been verified by Audit. **The para was settled.**

13. Para 33: Page 76 – Reconciliation of Figures

17-1-93: The figures had been reconciled and verified. **The para was settled.**

14. Para 34: Page 76 – Assets Register

17-1-93: Audit observation was being complied with. **The para was settled.**

15. Para 35: Page 76 – Non-maintenance of Books of Accounts on Commercial Pattern

17-1-93: Audit observation was being complied with, the **para was settled.**

Agricultural Engineering Division, Multan

16. Para 41: Page 89 – Working Results

17-1-93: The Administrative Department was directed to hold inquiry into the losses of the Multan Division during 1986-87, 1987-88, 1988-89 and 1989-90 and fix responsibility for the same within one month. **The para was kept pending.**

17. Para 42: Page 89 – Non-confirmation of Stores Recovered/Transferred

17-1-93: The inter-divisional transfer of stores had since been reconciled/verified. **The para was settled.**

18. Para 43: Page 89 – Assets Register

17-1-93: The record had been verified. **The para was settled.**

19. Para 44: Page 90 – Non-maintenance of Books of Accounts on Commercial Pattern

17-1-93: The Department assured the Committee that efforts was being made to maintain accounts on commercial pattern as directed by the Public Accounts Committee. **The para was settled.**

Board of Revenue

Overview

Total Paras	Civil
7	7

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Finally Settled 3	Paras finally settled as the requisite action had been taken.	Civil: 2.8.1(1), 2.8.1(2), 2.10.1.	3	
Paras Pended 4	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 2.8.1(3). Annexure Paras: 6, 5, 2.	1 3	

Discussed on 16 March 1992.

(Civil Audit)

1. Para 2.8.1(1-3): Page 40 – Non-recovery of Auction Money/Rent of Rs.102,059

1) Deputy Commissioner, Multan Rs.27,775

16-3-92: The amount had since been recovered and verified by Audit, the **para was settled.**

2) Deputy Commissioner, DG Khan Rs.5,884

16-3-92: The recovery of Rs. 3,384 and exemption of the balance of Rs.2,500 had since been verified by Audit, the **para was settled.**

3) Deputy Commissioner, Okara Rs.68,400

16-3-92: Out of Rs.68,400 only Rs.8,640 could be recovered from stamp vendors and petition writers which had been verified by Audit. However, amount of Rs.59,760 could not be recovered as the case had been decided in favour of the Advocates by the Civil Court as well as the District Judge.

The Committee directed that the Department should get a policy decision from the Government about the recovery of rent from the lawyers, which would uniformly apply to whole of the Punjab. **The para was kept pending.**

2. Para 2.10.1: Page 40 – Non-production of Record Regarding Purchase of Car Rs.447,000

16-3-92: The record had since been produced and verified by Audit, the **para was settled.**

Annexure Paras

Working papers not submitted

- 3. Para 6 (1972-73): Page 249 – Serial 52, Recoverable Dues Rs. 79,722**
- 4. Para 5 (1972-73): Page 249 – Serial 53, Recoverable Dues Rs. 140,057,320**
- 5. Para 2 (1978-79): Page 249 – Serial 54 Recoverable Fines Rs. 235,755**

Communications and Works Department

Overview

Total Paras	Works
121	121

Abstract

Status	Decision	Para Nos.	Total
Paras Finally Settled 77	Paras finally settled as the requisite action had been taken.	Works Buildings Deptt: I-3, I-4, I-5, I-6, I-7, I-8, II-1, II-2(i), II-2(ii) III-1, III-2, III-3, IV-2.	13
		Annexure Paras: 18(2)(iii), 17(a)44, 3(iii), G-28-4(i), 18(2)(iv) a. b. c, 18(3)vi(d), 18(6)(iii), 16(9)(ii)(xi), 2(i), G-39(7)(i), 42(iii), 18(3)(ii), 17(a)50, 28(v), 33(i), 34, 52(i), 18(i), 76, 56(ii), 28, 29, 19, 11, 5(i), G-28-5(i), 38(xii) 38(xiii).	28
		Highways Deptt: I-2, I-3, I-4, I-5, I-6, I-7, I-10, I-19, I-21, II-3, II-7, II-8, II-9, II-10, II-12, II-14, II-15, II-16, II-17, II-18, II-21, II-22, II-24, III-2, III-3, III-4, IV-1, IV-2, V-I(1).	29
		Annexure Paras: 38(7), 37(10), 38(2), 30(4), 38(i), 38(3).	6
		Performance Audit Report: Chapter II	1
Paras Conditionally Settled 14	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Works Buildings Deptt: I-2.	1
		Annexure Paras: 22, 23(12).	2
		Highways Deptt: I-8, I-14, II-1, II-2, II-4, II-5, II-6, II-11, II-13, II-19, II-20.	11
Paras Pended 30	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Works Buildings Deptt: I-1, IV-1.	2
		Annexure Paras: 17(11), 50, 70.	3
		Highways Deptt: I-1, I-9, I-11, I-12, I-13, I-15, I-16, I-17, I-18, I-20, I-22, II-23, III-1, III-5, III-6, V-I(ii), V-2.	17
		Annexure Paras: 37(9), 42(3), 16(a)12, 17(a)3(2), 18(ii), 64(i), 53, 30(xi).	8

Discussed on 30 April, 22-23 August 1992, 28-30 January, 18 March, 18 May 1993, 2, 12, 21, 26 December 1995 and 28 July 1996

Works Audit

(Buildings Department)

1. Para I-1: Page 12 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.26,427

30-4-92: The Department explained that recovery had been made but the final bill of the contractor had not yet been paid. The para was settled subject to recovery and verification of the final bill.

26-12-95: The PAC was apprised that final bill and the Technical Sanction (TS) estimate (original and revised) were not provided to Audit for scrutiny.

The para was kept pending for production of final bill and the TS estimate (original and revised) to Audit for scrutiny.

2. Para I-2: Page 12 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.22,959

30-4-92: The Department stated that payment under objection had been set right in the subsequent bills or recovered through transfer entries. **The para was settled subject to verification** by Audit.

3. Para I-3: Page 13 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.23,000

30-4-92: In this case Audit had objected to the payment for 10 miles lead in three subsequent cases of earth filling instead of 6 miles lead allowed in the first case. The Committee observed that in order to justify their action in the subsequent three cases, the Department had later on enhanced the lead from 6 miles to 10 miles even in the first case. It was further observed that Technical Sanction had also not since been issued.

The Committee observed that the overpayment of Rs.23,000 should be recovered from the Executive Engineer, Sub Divisional Officer and Sub-Engineer concerned in equal shares. Secondly, the Officer responsible for paying the final bill and releasing the security to the Contractor, without Technical Sanction of the work, be proceeded against under the E & D Rules. The action taken in this matter be intimated to the Committee in the next meeting.

28-1-93: Audit apprised the Committee of its decision dated 30.4.1992, wherein it was directed that the overpayment of Rs.23,000 should be recovered from the defaulting XEN, the SDO and the Sub-Engineer in equal shares. The Committee took serious note about the failure of the Department to comply with its directive and directed that, in future, the Department should strictly implement the PAC decisions without delay. Recovery from the defaulting Officers should be effected immediately and reported to the Committee. Result of the inquiry conducted against the Officer, under E & D Rules, responsible for paying the final bill and releasing the security, without TS, should also be conveyed to the PAC. The para was kept

pending.

26-12-95: The Department explained that full recovery of Rs.23,000 had been effected and got verified by Audit. The explanation was accepted and the **para was settled.**

4. Para I-4: Page 13 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.66,800

30-4-92: The Department explained that payment had been made according to the Technical Sanction. The para was settled subject to verification by Audit.

30-1-93: The Technical Sanction had since been verified by Audit, the **para was settled.**

5. Para I-5: Pages 13-14 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.17,780

30-4-92: The Department explained that excavated earth had been duly accounted for and re-used as no excess payment was involved.

The explanation of the Department was accepted and the para was settled subject to verification.

30-1-93: Audit explained that during verification a new point arose and the amount of the para stood increased to Rs.31,000 due to wrong premium allowed to the Contractor. The PAC directed the Administrative Secretary to look into the matter personally and take action accordingly. The para was kept pending.

26-12-95: The Department explained that recovery of Rs.31,000 instead of Rs.17,800 had been effected and also verified by Audit. **The para was settled** accordingly.

6. Para I-6: Page 14 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.148,671

30-4-92: The explanation of the Department about the re-tendering of the work was accepted and the **para was settled.**

7. Para I-7: page 14 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.214,187

30-4-92: The explanation of the Department for change in the specification of gas valves, was accepted and the **para was settled.**

8. Para 1-8: Page 15 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.45,772

30-4-92: Audit admitted the contention of the Department and the **para was settled.**

9. Para II-1: Page 17-18 – Non-recovery of Government Dues from Contractor Rs.52,200

30-4-92: After verification of full amount of Rs.52,200 by Audit, the **para was settled.**
10. Paras II-2(i-ii): Page 18 – Non-recovery of Government Dues from Contractor Rs.99,800

30-4-92: The full amount having been recovered and verified by Audit, the **paras were settled.**

11. Para III-1: Pages 18-19 – Loss to Government Rs.91,873

30-4-92: The Department explained that inquiry in the matter was under process. The PAC directed the Department to finalize the proceedings within three months. The para was kept pending.

30-1-93: The Department explained that the inquiry had not yet been finalized and the Inquiry Officer was being changed. During Preliminary Inquiry, it was revealed that wiring of only one house had been replaced and the remaining work had not been executed. Formal inquiry against the XEN (now SE) was being processed. The PAC directed that the whole case of the project may be examined by the Administrative Secretary for taking necessary action. The para was kept pending accordingly.

26-12-95: The Department explained that full wiring was changed as the existing wiring had been burnt out due to heavy load. The Department also assured the Committee that there was no *mala fide* involved. The explanation of the Department was accepted and the **para was settled.**

12. Para III-2: Page 19 – Loss to Government Rs.2,461,790

30-4-92: The Department explained that work of the construction of Hospital at Joharabad (District Khushab) had since been re-started and no loss to the Government was involved. In view of the departmental explanation, the **para was settled.**

13. Para III-3: Page 19 – Loss to Government Rs.96,578

30-4-92: The Department explained that the electric fans were purchased under the rate contract executed by the Services, General Administration and Information Department. The explanation of the Department was accepted and the **para was settled.**

14. Para IV-1: Page 20 – Fictitious/Fraudulent and Undue Financial Aid to Contractor Rs.393,223

30-4-92: The amount involved in the para was Rs.393,223. In accordance with the decision in the meeting of the Departmental Accounts Committee held in August, 1988, the amount had been placed in PWD/Misc. Advance recoverable from the Executive Engineer, Sub Divisional Officer, Sub-Engineer and Divisional Accountant concerned.

The Department, however, explained to the PAC-II that disciplinary action under the E & D Rules against the Executive Engineer, Sub Divisional Officer and Sub-Engineer had culminated in their exoneration by the Chief Secretary, being the Authority in this case. Audit explained that the Co-accused Divisional Accountant, who was under the administrative

control of Audit had been imposed the penalty of compulsory retirement in this very case. The Committee decided to pend the para for further examination.

30-1-93: The Department explained that an inquiry under the Efficiency and Discipline Rules was conducted by Member Inquiries, SGA & I Department and the accused XEN had been exonerated. Therefore, a De-novo Inquiry could not be held at this stage. The stores supplied by the contractor against current bills had been taken on stock. The Department admitted that financial irregularity was there. The PAC directed that the Administrative Department may move a Summary to the Chief Minister through the Law Department for a *de novo* inquiry against the accused officer under the E & D Rules. The para was kept pending.

26-12-95: The Department explained that as per directive of the PAC dated 30.1.1993 the Law Department was contacted to seek advice about the *de novo* inquiry. The Law Department apprised that *de novo* inquiry could not be conducted as it would be violation of Rules and Fundamental Rights.

The PAC directed that copies of the Inquiry Report might be supplied to Audit and the Finance Department who would examine it and give their comments to the PAC. **The para was kept pending.**

15. Para IV-2: Page 20 – Fictitious/Fraudulent and Undue Financial Aid to Contractor Rs.849,000

30-4-92: The Administrative Department explained that as a result of disciplinary action all the accused Officers/Officials had been exonerated except the Head Draftsman who had been removed from service. Moreover, full amount of Rs.849,000 had since been recovered from the contractors, and they had also been blacklisted. The para was settled subject to verification by Audit.

30-1-93: The Department explained that the amount had been recovered and verified. **The para was settled.**

The PAC directed that it was the second round of the Draft Paras for 1987-88 in respect of the Communications and Works Department. The Department should complete action in all pending cases within 3 months.

Annexure Paras

16. Para 18(2)(iii)(1953-54): Page 184 – Serial 2, Excess Payment of Rs.38,086 to the Contractor

28-1-93: Audit informed the Committee that after reconciliation the discrepancy had been resolved. **The para was settled** accordingly.

17. Para 17(a) 44 (1961-62): Page 185 – Serial 15, Irregular Expenditure Rs.3,748

28-1-93: **This para had already been settled** by the Public Accounts Committee on 24.2.1970.

18. Para 3(iii) (1961-62): Page 185 – Serial 12, Non-recovery of Government Dues

Rs.31,355

28-1-93: The Department explained that it was not their responsibility to collect the rent because the market had been handed over to the Cooperative Department for running the shops. Therefore, it was the duty of the said department to realize rent from the Cooperative Societies to whom the shops had been sub-let. Consequently, these societies were liquidated and the Cooperative Department, showed its inability to pay the rent. Therefore, the amount had to be written off. The para was settled.

26-12-95: The explanation of the Department was accepted and the **para was settled.**

19. Para G-28-4(i) (1961-62): Page 184 – Serial 8, Misappropriation of Stores Rs.22,496

28-1-93: It was explained that the case remained sub judice for a long time and the defaulters expired in the mean time. Therefore, the case had to be filed. The Department promised to get the amount written off by the Competent Authority. Subject to the write off, the para was settled.

26-12-95: The explanation of the Department was accepted and the **para was settled.**

20. Para 18(2)(iv)a.b.c (1953-54): Page 184 – Serial 3, Overpayment on Account of Excess Rate Allowed to the Contractor Rs.5,214

28-1-93: The Department explained that the annotated report was supplied to it by the Highway Division, Rawalpindi without indicating the contents of the draft para and Audit observations. In spite of their best efforts neither the Highway Division concerned nor Audit had been in a position to supply the requisite information. The explanation of the Department was accepted and the **para was settled.**

21. Para 18(3)vi(d) (1953-54): Page 184 – Serial 4, Shortage of Material/Non-recovery from Contractor Rs.141,448

28-1-93: The Committee was informed that an amount of Rs.149,459 had been recovered and verified by Audit leaving a balance of Rs.9,687. The Department promised to get the balance amount written off by the Competent Authority. **The para was settled.**

22. Para 18(6)(iii) (1953-54): Page 184 – Serial 5, Non-recovery of Rs.48,740

28-1-93: The Department explained that the relevant extract of the para was not available in its record and it was not available with Audit also. **The para was settled.**

23. Para 16(9)(ii)(xi) (1955-56): Page 184 – Serial 7, Loss to Government Rs.9,813

28-1-93: Write off of Rs.9,813 having been accorded by the Competent Authority and the **para was settled.**

24. Para 2(i) (1961-62): Page 185 – Serial 11, Shortage of Stores Rs.764,765 Balance

Amount Rs.185,885

28-1-93: The Committee was informed that discrepancy of figures between Audit and the Department had been removed after reconciliation and recovery of Rs.583,666 had been verified by Audit. It was an old case and some of the defaulters had been exonerated and some of them dismissed from service. Recovery of Rs.33,000 was yet to be made from Muhammad Aslam, Sub-Engineer and his whereabouts were not known. The Department promised to get the loss written off. The para was settled.

26-12-95: The explanation of the Department was accepted and the **para was settled.**

25. Para G-39(7)(i) (1961-62): Page 185 – Serial 14, Shortage of Stores Rs.45,270

28-1-93: The explanation of the Department was accepted and the **para was settled.**

26. Para 42(iii) (1965-66): Page 186 – Serial 22, Un-serviceable Stores Rs.18,687

28-1-93: Explanation of the Department was accepted and **the para was settled.**

27. Para 18(3)(ii) (1954-55): Page 184 – Serial 6, Non-recovery of Rs.755,247 On Account of Water Charges.

28-1-93: Recovery of Rs.10,800 having been verified by Audit, the para was settled.

30-1-93: The recoveries had since been made and verified by Audit, the **para was settled.**

28. Para 17(a)50 (1961-62): Page 184 – Serial 10, Non-recovery of Government Dues Rs.40,112 Due to Excess Payment.

28-1-93: It was an old case and the defaulter had already been expired. **The para was settled.**

29. Para 28(v) (1964-65): Page 185 – Serial 17, Shortage of Stores Rs.21,862 (Balance Amount Rs.16,498)

28-1-93: Recovery having been verified by Audit, the **para was settled.**

30. Para 33(i) (1964-65): Page 185 – Serial 18, Non-recovery from Contractor Rs.21,640

28-1-93: The Committee was informed that recovery of Rs.76,109 had been verified and case for the balance amount of Rs.21,639 was sub judice. The case pertaining to the recovery of Rs.7,006 from the contractor was also sub judice. As regards the amount of Rs.14,631 recoverable from the defaulting Officer, it was stated that his whereabouts were not known and, therefore, the loss had to be written off. The matter being sub judice, the para was kept pending.

26-12-95: The explanation of the Department was accepted and the **para was settled.**

31. Para 34 (1964-65): Page 185 – Serial 19, Non-recovery of Government Dues Rs.7,063,509 Balance Amount Rs.850,572

28-1-93: The explanation of the Department was accepted and the **para was settled.**

32. Para 52(i) (1965-66): Page 186 – Serial 23, Excess Payment of Rs.31,450

28-1-93: Recovery of Rs.26,070 had been effected leaving a balance of Rs.4,070 only. **The para was settled.**

33. Para 18(i) (1966-67): Page 186 – Serial 24, Shortage of Store Rs.38,688

28-1-93: The case being sub judice, the para was kept pending till decision of the Court.

26-12-95: The explanation of the Department was accepted and the **para was settled.**

34. Para 76 (1967-68: Page 186 – Serial 28, Loss of Stock Rs.34,503

28-1-93: The Department informed the Committee that the Law Department had been approached for advice whether recovery from the persons retired under MLR could be effected or not under the Civil law. Subject to the write off of the amount by the Competent Authority, the para was settled.

26-12-95: The explanation of the Department was accepted and **the para was settled.**

35. Para 56(ii) (1966-67): Page 186 – Serial 26, Non-recovery of Government Dues Rs.52,210

28-1-93: It was explained by the Department that recovery of Rs.7,740 had been verified by Audit, write off for the amount of Rs.14,438 had been accorded by the Competent Authority. The balance amount of Rs.3,640 being nominal, the **para was settled.**

36. Para 28 (1968-69): Page 186 – Serial 29, Non-recovery of Government Dues Rs.123,181

28-1-93: Audit informed the Committee that only verification of the account of furniture had to be carried out otherwise there was no financial transaction involved. Subject to verification by Audit, the para was settled.

26-12-95: The explanation of the Department was accepted and the **para was settled.**

37. Para 29 (1968-69): Page 186 – Serial 30, Non-recovery of Government Dues Rs.254,712

28-1-93: The Committee was informed that it was an internal transaction by the Department and no financial transaction was involved. **The para was settled.**

38. Para 19 (1970-71): Page 187 – Serial 31, Loss Due to Deposit of Government Money in a Private Bank Rs.158,198

28-1-93: The Committee directed that the Director Anti-Corruption should be asked to appear before the Committee along with the record of the Inquiry Committee which exonerated the defaulting Commissioner.

The Committee further directed that the Anti-Corruption Department may be asked by the Administrative Department and the Public Accounts Committee Secretariat for bringing the relevant record for perusal by the Committee. The para was kept pending.

26-12-95: The explanation of the Department was accepted and **the para was settled.**

39. Para 11 (1972-73): Page 187 – Serial 32, Irregular Expenditure Rs.841,130 Resulting

In a Loss of Rs.538,130

28-1-93: The Department explained that the figures could not be reconciled because there were no supporting vouchers/ledgers etc. Audit was also not able to furnish the source from which the figures pertaining to the para were taken. The explanation of the Department was accepted and the **para was settled.**

The PAC directed that the departmental record pertaining to Audit Reports should be permanently preserved.

40. Para 22 (1972-73): Page 187 – Serial 33, Non-disposal of Stores Rs.14,000

28-1-93: The para was settled subject to recovery/verification by Audit within two months time.

26-12-95: The explanation of the Department was accepted and the **para was settled subject to verification** of book adjustment of stock towards Revenue and verification of the same by Audit.

41. Para 5(i) (1961-62): Page 184 – Serial 9, Misappropriation of Government Material Rs.44,978

30-1-93: The Department explained that the case for write off sanction of the outstanding balance of Rs.7,947 was under process and will be decided shortly. **The para was settled.**

42. Para G-28-5(i) (1961-62): Page 185 – Serial 13, Shortage of Store Rs.12,670

30-1-93: The Department explained that the accused Sub-Engineer lost the court case. But he had since died. Therefore, the case for write off sanction had been initiated and would be decided shortly. **The para was settled.**

43. Para 23(12) (1963-64): Page 185 – Serial 16, Misappropriation of Store (GI Pipes) Rs.25,534

30-1-93: The Department explained that the case for write off sanction was sent to the Finance Department, orders/decisions of the Court had been provided and the case would be decided shortly. The para was settled.

26-12-95: The Department explained that a case for the write off sanction of the loss had been sent to the Finance Department and decision was awaited. **The para was settled subject to write off sanction** and its verification by Audit.

44. Para 38(xii) (1965-66): Page 185 – Serial 20, Excess Payment of Rs.24,782 to the Contractor.

30-1-93: The Department explained that the amount had since been recovered and verified. **The para was settled.**

45. Para 38(xiii) (1965-66): Page 186 – Serial 21, Excess Payment Rs.14,923

30-1-93: The Department explained that Rs.3,786/50 had been recovered, verified and the balance amount had since been written off. **The para was settled.**

Working papers not submitted

46. Para 17(11) (1948-49): Page 184 – Serial 1, Outstanding Rs.35,885

47. Para 50 (1966-67): Page 186 – Serial 25, Outstanding Rs 12,000

48. Para 70 (1967-68): Page 186 – Serial 27, Outstanding Rs 73,000

(Highways Department)

1. Para I-1: Page 21 – Non-recovery of Government Dues from Contractor Rs.904,454

22-8-92: The Department stated that the amount in question was recoverable from eleven contractors. Recovery had since been made from two contractors and some more time was required to make the balance recovery from other contractors.

The para was kept pending with the direction that the recovery made be got verified and the Administrative Secretary would personally see into the case.

18-5-93: The Administrative Secretary assured the PAC that efforts were being made to effect the balance amount by making references to the XENs concerned. So far an amount of Rs.436,118.55 had been recovered from nine contractors. Whereabouts of four of the contractors were not known. The concerned Divisions had been asked to complete action as soon as possible. The amount recovered would be got verified. The para was kept pending for balance recovery.

21-12-95: The Department explained that an amount of Rs.372,244 had been recovered and verified by Audit. There was also a duplication of Rs.89,334 and after considering that duplication the recoverable balance was Rs.686,123.

The Committee directed that duplication of Rs.89,334 might be got verified by Audit and remaining recovery might be pursued vigorously for early finalization of the same. The para was kept pending.

28-7-96: The Department explained that all five contractors were involved. The detailed position was as under:-

(i) M/s Sharif Tahir and Co., Recoverable amount of Rs.411,875.

(ii) M/s Paragon Construction Co., Recoverable amount of Rs.69,385.

The recovery from both the above contractors was under process as arrears of land revenue through the Collector Rawalpindi.

(iii) M/s SJ Traders Recoverable amount of Rs.57,360.

The said amount of Rs.57,360 had been recovered and got verified by Audit.

(iv) Malik Sher Bahader & Co., Recoverable amount of Rs.142,092.

The recovery was due for the secured advance allowed to the contractor against the material. The contractor abandoned the work which was got completed by another contractor and all the material of secured advance was utilized on the work. The second contractor (M/s Javed and Co) was paid only the labour rate. The first contractor (Malik Sher Bahader & Co) was penalized and his security was forfeited. Hence no recovery was involved.

(v) Raja Mukhan Khan Recoverable amount Rs.5,410.

The said amount of Rs.5,410 had been recovered and recovery had been got verified by Audit.

In view of the above position it was evident that only the amount of Rs.481,260 (Rs.411,875 + Rs.69,385) was recoverable which was being pursued as arrears of land revenue.

The PAC directed to pursue the recovery of Rs.481,260 and to finalize the same at the earliest as arrears of land revenue. It may also be verified whether the works were completed or not.

The para was kept pending for recovery of Rs.481,260 and verification of record pertaining to completion of work.

2. Para I-2: Pages 21-22 – Non-recovery of Government Dues from Contractor Rs.3,193,070

22-8-92: It was stated by the Administrative Secretary that the contractor had completed the work but with some delay. The application for extension in time limit of the contractor was considered and penalty so imposed was recovered from the contractor's bill. The forfeiture of security deposit under clause 3(a) did not apply. The para was settled subject to verification by Audit.

28-7-96: Their explanation of the Department was accepted and the **para was settled.**

3. Para I-3: Page 22 – Non-recovery of Government Dues from Contractor Rs.84,115

22-8-92: It was stated by Audit that payment for 10,31,900 Cft earth work embankment was made without deduction of road crust on account of four inches sub base and six inches base course. The Department explained that the deduction of earth to the thickness of crust had been made according to cross section and no extra payment had been made to the contractor.

The Committee observed that if the “DNIT” and cross section agree, then it should be got verified by Audit. The Committee directed that a comprehensive note on the facts of case may be submitted to the Committee. The para was kept pending for final settlement.

18-5-93: It was stated by the Administrative Secretary that the original DNIT/X-Section had since been verified by Audit and only the final bill remained to be verified. The para was settled subject to verification by Audit.

28-7-96: The explanation of the Department was accepted and the **para was settled.**

4. Para I-4 Pages 22-23 – Non-recovery of Government Dues from Contractor Rs.33,891

22-8-92: Full recovery of Rs.33,891 had been effected and got verified. On a query the Department stated that the excess payment had actually been made in embankment of the road. The Committee observed that had it not been pointed out by Audit, the overpayment would have gone un-noticed.

The Committee directed that disciplinary action under the E&D Rules be taken against the XEN, SDO, Sub-Engineer and Divisional Accountant concerned who were responsible for this overpayment. The para was kept pending till finalization of the disciplinary action.

18-5-93: The para was kept pending for completion of disciplinary action against the persons responsible for excess payment.

21-12-95: The Department explained that full amount of Rs.33,891 had been recovered and got verified by Audit.

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

5. Para I-5: Page 23 – Non-recovery of Government Dues from Contractor Rs.26,598

22-8-92: The Administrative Secretary stated that the recovery had been shown in the final bill which was minus Rs.72,000. Moreover, the security of the contractor had already been adjusted against default in some other cases.

The Committee directed if the recovery was not possible from the contractor it should be made from the XEN, SDO and the Sub-Engineer concerned in equal shares. The para was kept pending.

18-5-93: The entire amount of the para had been recovered. The para was settled subject to verification of recovery from Audit.

28-7-96: The explanation of the Department was accepted and the **para was settled.**

6. Para I-6: Page 23 – Non-recovery of Government Dues from Contractor Rs.80,208

22-8-92: The entire amount involved had been recovered/forfeited and adjustment had been verified by Audit. **The para was settled.**

7. Para I-7: Pages 23-24 – Non-recovery of Government Dues from Contractor Rs.52,087

22-8-92: Recovery of Rs.10,007 and Rs.25,869 had been verified. The para was kept pending for recovery of the balance amount of Rs.16,211. The Committee directed that if the amount involved was not recovered from the contractor, then responsibility may be fixed and recovery made from the official concerned with in two months.

18-5-93: As the entire amount of the para had been recovered and got verified, the **para was settled.**

8. Para I-8: Page 24 – Non-recovery of Government Dues from Contractor Rs.67,230

22-8-92: The Department stated that the whole amount had since been recovered. **The para was settled** subject to verification by Audit.

9. Para I-9: Page 24 – Non-recovery of Government Dues from Contractor Rs.323,000**Draft Para 53**

23-8-92: It was stated by the Administrative Secretary that Rs.218,000 were deposited by the contractor as security had since been adjusted while balance of Rs.60,385 was being recovered as arrears of land revenue. The para was kept pending.

Draft Para 58

23-8-92: An amount of Rs.49,000 had since been recovered. Subject to verification of record by Audit, the para was settled.

Draft Para 53

28-7-96: It was stated by the Department that the recovery of Rs.134,660 had been made. The recovery of the balance amount of Rs.1,39,339 was under process as arrears of land revenue.

The PAC directed the Department to effect the balance recovery as arrears of land

revenue. **The para was kept pending.**

10. Para I-10: Page 25 – Non-recovery of Government Dues from Contractor Rs.251,492

- (i) Highway Division, Toba Tek Singh
- (ii) Highway Division, Faisalabad

23-8-92: (i) It was stated by the Department that the recovery had since been effected from the contractor. Subject to verification of record by Audit, the para was settled.

23-8-92: (ii) It was stated by the Department that the recovery had since been effected from certain contractors. Subject to verification of record by Audit, the para was settled.

28-7-96: The Department explained that recoverable amount had since been recovered and the relevant record had been verified by Audit. **The paras were settled.**

11. Para I-11: Page 25 – Non-recovery of Government Dues from Contractor Rs.556,224

23-8-92: This draft para was based on the following six draft paras which were individually dealt with as follows:-

Draft Para 40

23-8-92: Recovery of Rs.21,024 had since been effected by the Department. Subject to verification of record by Audit, the item was settled.

Draft Para 42

23-8-92: Subject to verification of accountal of empty Tar Drums by Audit, the item was settled.

Draft Para 57

23-8-92: The Department had fully effected the rent recovery amounting to Rs.13,500 which pertained to lease of petrol pumps. Subject to verification of record by Audit, the item was settled.

Draft Para 69

23-8-92: Recovery in full amounting to Rs.323,104 towards cost of bitumen had since been effected. Subject to verification of record by Audit, the item was settled.

Draft Para 74

23-8-92: The Department was directed to produce the record of actual usage of road roller and get it verified by Audit. The item was kept pending.

Draft Para 83

23-8-92: The Department was directed to produce complete record of road roller's full utilization for verification and report by Audit. The item was kept pending.

28-7-96: It was stated by the Department that the major amount had been recovered from the contractors leaving a balance of Rs.48,000 which would also be effected in due course of time. The recovery so far effected had also been got verified by Audit.

The para was kept pending with the observation that immediate action should be taken by the Department for the balance recovery of Rs.48,000 and verification of the same by Audit.

12. Para I-12: Page 26 – Non-recovery of Government Dues from Contractor Rs.216,000

23-8-92: This pertains to accountal/recovery of 2,000 empty Tar Drums from the Contractor due to rescinding of his contract amounting to Rs.200,000 as reported by Audit.

The Department explained that as a result of inquiry, the Sub-Engineer was held responsible for this recovery. The official obtained an interim injunction form the Civil Court. The next date of hearing had been fixed for 2.9.1992.

The Committee expressed surprise how the Sub-Engineer was issued NOC for pension while this matter was pending against him. The Department was directed to look into this matter and report in the next meeting. The para was kept pending.

28-7-96: The Department explained that the case was still in the court and decision was awaited.

The PAC directed the Department to pursue the case vigorously. **The para was kept pending.**

13. Para 1-13: Page 26 – Non-recovery of Government Dues from Contractor Rs.506,600

23-8-92: This para was based on the following seven draft paras which were individually dealt with as follows:-

Draft Para 59

23-8-92: Under this para Audit had recommended recovery of Rs.82,000 towards hire charges and POL. Final bill of Rs.7,43,000 had since been made while his security amounting to Rs.182,000 was with the Department.

The Administrative Secretary sought time of one month to thrash out this matter again and report progress in the next meeting. The item was kept pending.

Draft Para 63

23-8-92: Since the matter was sub judice and the Departmental Inquiry was also in process, the item was kept pending.

Draft Para 65

23-8-92: The item was settled subject to verification of its duplicacy by Audit.

Draft Para 66

23-8-92: Subject to verification of record, the item was settled.

Draft Para 67

23-8-92: Under this para Audit had recommended recovery of Rs.82,000 towards hire charges and POL. Final bill of Rs.743,000 had since been made, while his security amounting to Rs.182,000 was with the Department.

The Administrative Secretary sought time of one month to thrash out this matter again and report progress in the next meeting. The item was kept pending.

Draft Para 68

23-8-92: Under this para Audit had recommended recovery of Rs.82,000 towards hire charges and POL. Final bill of Rs.743,000 had since been made while his security amounting to Rs.182,000 was with the Department.

The Administrative Secretary sought time of one month to thrash out this matter again

and report the progress in the next meeting. The item was kept pending.

Draft Para 73

23-8-92: It was reported that Rs.24,500 had since been recovered towards professional tax. Subject to verification of record, the item was settled.

28-7-96: Audit apprised the Committee that the amount of the para had been enhanced to Rs.12,29,078 out of which an amount of Rs.460,500 had been recovered leaving a recoverable balance of Rs.768,578. Either the Department should effect the balance recovery or get it written off by the Competent Authority.

The PAC directed the Department to thrash out the details of the para in coordination with Audit in order to ascertain as to how much amount was actually recoverable, how much recovery/adjustment had been made and what was the balance to be recovered. **The para was kept pending.**

14. Para I-14: Page 27 – Non-recovery of Government Dues from Contractor Rs.107,806

23-8-92: Complete recovery had since been effected and the balance empty Tar Drums received and taken into stock. **Subject to verification of record, the para was settled.**

15. Para I-15: Page 27 – Non-recovery of Government Dues from Contractor Rs.435,047

22-8-92: The Department explained that amount was recoverable from the contractor. He had obtained Stay Order from the court. The para being sub judice was kept pending.

18-5-93: The para being sub judice was kept pending.

28-7-96: **The para was kept pending** till the decision of the Court.

16. Para I-16: Page 28 – Non-recovery of Government Dues from Contractor Rs.163,827

22-8-92: Audit pointed out that the hire charges of machinery should have been got deposited in advance. The Department explained that it was a matter of inter-departmental adjustment. The Department was directed to finalize the recovery/ adjustment expeditiously. The para was kept pending.

18-5-93: The para was settled subject to verification of the balance amount to be recovered from the contractors, within one month.

28-7-96: The Department explained that an amount of Rs.139,947 had been recovered and the balance of Rs.23,880 would be recovered in due course.

The PAC reduced the amount of the para to Rs.23,880. **The para was kept pending** for balance recovery.

17. Para I-17: Page 28 – Non-recovery of Government Dues from Contractor Rs.215,561

22-8-92: The Administrative Secretary explained that on the one hand recovery of the amount of this para had been made but on the other hand the contractor had taken Rs.5,500,000 in arbitration. He informed the Committee that he was making an inquiry into the case as to why payment was made.

The Committee directed that detailed inquiry be conducted into the facts of the case. The para was kept pending.

18-5-93: The Administrative Department explained that the Supreme Court had decided the case in favour of the Government and directed that recovery be made within three months. As such coercive methods of recovery would be adopted after three months period was over. Moreover the persons who made hasty payment to the contractor were also being inquired into.

The advice of the Law Department was also being sought for action against the arbitrator. The para was kept pending.

28-7-96: The Department explained that an inquiry was conducted by SE who would soon submit his report to the Secretary Communications and Works. Further action would be taken in accordance with the orders of the Secretary. **The para was accordingly kept pending.**

18. Para I-18: Pages 28-29 – Non-recovery of Government Dues from Contractor Rs.32,879

22-8-92: The Department was directed to pursue the recovery. The para was kept pending.

18-5-93: The Department explained that the purchase was made through the Director Industries. The District Collector had informed that the defaulting firm was untraceable. The Finance Department had been moved for writing off the amount.

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

28-7-96: The Department explained that a case for write off sanction of the loss had been sent to the Finance Department and its decision was awaited.

The para was kept pending for the write off sanction by the Finance Department.

19. Para I-19: Page 29 – Non-recovery of Government Dues from Contractor Rs.21,450

23-8-92: The recovery of Rs.21,450 having fully been effected from contractor's final bill and verified by Audit, the **para was settled.**

20. Paras I-20(i-iv): Pages 29-30 – Non-recovery of Government Dues from Contractor Rs.5,798,363

23-8-92: This para consists of following six un-printed Draft Paras:-

(i) Draft Para 25

23-8-92: Full recovery of Rs.142,019 had been made and verified. The item was settled.

Draft Para 26

23-8-92: Full recovery of Rs.3,90,688 had since been made and verified. The item was settled.

Draft Para 27

23-8-92: Full recovery of Rs.31,469/80 having been effected and verified by Audit, the item was settled.

Draft Para 28

23-8-92: The record having been verified by Audit, the item was settled.

Draft Para 32

23-8-92: Full recovery of bitumen had since been verified by Audit and the item was settled.

Draft Para 50

23-8-92: Full recovery of Rs.29,000 had since been effected by the Department and verified by Audit. The item was settled.

Para I-20 as already explained above against Sr. No. 20

23-8-92: This draft para was based on following ten un-printed draft paras which were individually disposed of as follows:-

Draft Para 4

23-8-92: Audit explained that the record relating to group one had been verified and that relating to group two had yet to be verified. The item was settled subject to verification by Audit.

Draft Para 10

23-8-92: The record and recovery of Rs.16,290 having been verified by Audit, the item was settled.

Draft Para 30

23-8-92: It was reported by the Department that Rs.18,377.10 had since been recovered against Rs.14,886 and Audit had verified it. The item was settled.

Draft Para 33

23-8-92: The Department explained that date of auction for disposal of empty Tar Drums had been fixed for 30.8.1992. The item was kept pending.

Draft Para 34

23-8-92: Partial recovery of Rs.2,700 had since been made by the Department. The Department assured the Committee that the balance of Rs.5,850 shall also be recovered soon. Subject to recovery and verification by Audit, the item was settled.

Draft Para 35

23-8-92: Subject to verification of record pertaining to accountal of empty Tar Drums recovery by Audit, the item was settled.

Draft Para 71

23-8-92: Recovery of site rents from five petrol pump stations had since been realized while an amount of Rs.1,500 was still outstanding against one firm. The Department assured its early recovery. Subject to complete recovery and its verification by Audit, the item was settled.

Draft Para 76

23-8-92: Professional tax to the tune of Rs.17,000 had since been recovered by the Department. Subject to verification of record by Audit, the item was settled.

Draft Para 8

23-8-92: The Department explained that total amount of Rs.8,602 had been recovered. Subject to verification by Audit, the item was settled.

Draft Para 7

23-8-92: The Department explained that extension in time limit had been granted by the Competent Authority before the final bill. The item was settled.

Para I-20 as already explained above against Sr No. 20

23-8-92: The Department was asked to prepare a comprehensive note in this regard and produce complete record to Audit for verification. The item was kept pending.

The para was kept pending.

(ii) Loss of Rs.150,262 to the Government

23-8-92: Audit explained that the contractor gave an undertaking that if he was supplied bitumen at Rs.2,270 per ton he would do re-surfacing at the schedule rate. Now the issue was – whether the schedule rate would mean the bare rate or it would include the prevalent premium. The Department had paid @ 46.27% sft which was higher than the schedule rate of Rs.33.70% sft. The Department contended that it was merely a matter of interpretation.

The Committee agreed to the interpretation of Audit and observed that conditional undertaking should not have been accepted. The Committee directed that recovery should be made moreover responsibility be fixed and disciplinary action taken against the official responsible. The para was kept pending.

28-7-96: The Department explained that the recovery had been effected and got verified by Audit, therefore, the **para was settled.**

(iii) Non-recovery of Government Dues

28-7-96: The Department explained that out of Rs.3,814,735 recovery to the extent of Rs.3,780,285 had been effected and got verified by Audit leaving a balance of Rs.34,450. An amount of Rs.750 had also been recovered and got verified by Audit. The balance recovery was left as Rs.33,700. At present the case was pending in the High Court.

The PAC directed the Department to make all out efforts to pursue the case in the court and for recovery of the balance amount. **The para was kept pending.**

(iv) Non-recovery of Rs.720,000

21-12-95: The Department explained that the necessary adjustment of Rs.720,000 had been made and verified by Audit. **The para was settled.**

21. Para I-21: Page 30 – Non-recovery of Government Dues from Contractor Rs.470,781

23-8-92: The Committee directed the account of the empty Tar Drums may be got verified by Audit. The para was kept pending.

28-7-96: The PAC was apprised that total recovery effected by the Department had been verified by Audit. **The para was settled.**

22. Para I-22: Page 30 – Loss of Rs.1,570,475

21-12-95: The Department explained that an amount of Rs.25,000 had been recovered and got verified by Audit. An amount of Rs.785,000 had also been recovered and also under verification by Audit. An amount of Rs.270,000 was under dispute. A balance of Rs.256,475 was recoverable along with the disputed amount of Rs.270,000.

The PAC observed that recovery had been effected after about three years at the instance of Audit which was a negligence on part of the Department. Therefore, the Secretary

of the Department should personally enquire into the matter along with examining the report of previous inquiry and apprise the PAC of his findings within two months.

The para was kept pending for said inquiry, verification of recovery by Audit and recovery of the balance amount.

28-7-96: The Department explained that an amount of Rs.487,000 had been recovered and remaining recovery/adjustment was in process. However, the SE Multan had been appointed to conduct an inquiry into the matter and to fix responsibility for the loss.

The PAC directed the Department to complete the said inquiry within 15 days and the **para was kept pending.**

23. Para II-1: Page 31 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.6,776,336

22-8-92: The Department explained that the work had been started but it was later on taken over by the National Highway Authority. It was explained that width and thickness of carpeting was increased due to national importance of the highway. The matter was now under consideration of the “ECNEC”.

The Committee decided that the matter may be inquired into under the supervision of the Administrative Secretary. It may also be seen whether the competition was fair or compromised. The para was kept pending.

18-5-93: The Department stated that the Authorized Officer had recommended exoneration of the accused Officer as no excess payment was involved and the final decision will be taken by the Chief Minister being the Competent Authority.

The para was kept pending.

2-12-95: The Department stated that the ECNEC approved the revised estimate. The matter was probed into by an authorized Officer who recommended that the accused Officer may be exonerated. The said recommendations were sent to the Chief Minister for final decision. The decision of the Chief Minister was awaited. The Department reiterated that there was no excess payment involved.

The PAC directed that relevant record i.e. decision of the Chief Minister, approval of the ECNEC and execution of work according to revised estimate be got verified by Audit.

The para was kept pending for reconsideration as the oral explanation was different from the written explanation given in the Working Paper.

28-7-96: The Department contended that no excess quantity against the detailed estimates had been paid. **The para was settled subject to verification** of final bill by Audit.

24. Para II-2: Pages 31-32 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.1,806,522

22-8-92: Audit explained that the same road was involved as in the previous para. Audit pointed out that during the execution of work the item of retaining walls was dropped, but after six months the same work was allotted at higher rates. Moreover, splitting of work by the XEN and SE was also beyond their competence.

The Committee directed that this para would be linked with the previous para for the purpose of inquiry to be supervised by the Administrative Secretary. The para was kept pending.

18-5-93: Audit accepted the view point of the Department that the term “at par with Schedule Rates” means the rates including the premium. As regards splitting of the sanction, the Department contended that there was no splitting of expenditure. The para was settled subject to verification by Audit.

21-12-95: The PAC directed the Department to produce the relevant record to Audit for scrutiny. The para was kept pending.

28-7-96: The Department explained that in the original scope/design the retaining wall was to be constructed and therefore, the work was started accordingly. Meanwhile, the Director Bridges visited the site and directed that retaining wall was not necessary. Resultantly the construction of retaining wall was abandoned. The scope/design of work was changed. The revised scope or work had duly been provided in the detailed estimate. Also the work was completed by another contractor. Therefore, there was no excess over the detailed estimate.

The PAC observed that the Department should produce the relevant record in support of their contention for verification of the factual position. **The para was settled subject to verification** of record by Audit.

25. Para II-3: Page 32 – Excess payment to the Contractor and Loss Due to Defective Execution of Work Rs.1,522,904

22-8-92: Audit explained that the same road was involved as in the previous para. Audit pointed out that during the execution of work the item of retaining walls was dropped, but after six months the same work was allotted at higher rates. Moreover, splitting of work by the XEN and SE was also beyond their competence.

The Committee directed that this para would be linked with the previous para for the purpose of inquiry to be supervised by the Competent Authority. The para was kept pending.

18-5-93: The Department explained that the work was executed with the approval of the ECNEC. **The para was settled.**

26. Para II-4: Pages 32-33 – Excess Payment to the Contractor and Loss Due to Defective Execution of Work Rs.222,908

22-8-92: The Department explained that the revised Technical Sanction had since been issued. On a query the Department stated that the Technical Sanction was revised before the final bill. **The para was settled subject to verification** by Audit.

27. Para II-5: Page 33 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.48,799

22-8-92: The Department explained that work was done according to the revised, PC-I and no excess payment was involved. **The para was settled subject to verification** by Audit.

28. Para II-6: Page 34 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.66,948

22-8-92: The Administrative Secretary admitted that the departmental action appeared to be *mala fide* and he was not satisfied with the explanation given in the working paper. He made a commitment to inquire into the case and made recovery. The para was settled.

18-5-93: The case being sub judice was kept pending.

28-7-96: The Department explained that recoverable amount of Rs.66,948 had since been effected. The final bill of the contractor was still pending for want of funds.

The para was settled subject to verification of record pertaining to recovery by Audit.

29. Para II-7: Pages 34-35 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.31,413

22-8-92: The Administrative Secretary explained that the contention of the Department was quite weighty that the rate had been applied correctly for transom-slab. Therefore, the matter was being referred to the Standing Rates Committee for decision.

Audit pointed out that in a number of such cases, like those of Sheikhpura, recoveries had been made in accordance with Audit objection. The para was kept pending for reconsideration after the decision of the Standing Rules Committee.

18-5-93: The entire amount of the para had been recovered from the contractors, therefore, the **para was settled.**

30. Para II-8: Page 35 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.19,980

22-8-92: The recovery had been effected and verified. **The para was settled.**

31. Para II-9: Page 35 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.17,122

22-8-92: Total recovery had been made. **The para was settled.**

32. Para II-10: Pages 35-36 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.20,511

23-8-92: It was stated by the Administrative Secretary that earth quantities were paid according to approved Technical Sanction and no excess payment was made to the contractor. Subject to verification of record by Audit, the para was settled.

28-7-96: The Department explained that recovery was to be effected from three officials in equal shares. Accordingly the recovery from the two of the officials had been effected. The third official had since expired and, therefore, recovery from him could not be effected.

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

33. Para II-11: Page 36 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.177,082

23-8-92: It was stated by the Department that approved quantities payment was made to the contractor and no excess payment was involved. Moreover, the Technical Sanction was made before hand. **The para was settled subject to verification** of record by Audit.

34. Para II-12: Page 36 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.251,923

22-8-92: The Department explained that the work was executed according to the revised Technical Sanction and no overpayment was involved. The explanation of the Department was accepted and the **para was settled.**

35. Para II-13: Page 37 – Excess Payment to Contractor and Los Due to Defective Execution of Work Rs.22,648

22-8-92: The Administrative Secretary admitted that 9” thick sand cushion was not sanctioned by the Competent Authority and as such re-payment would be recovered from the contractor concerned. The para was kept pending.

18-5-93: The recovery of Rs.22,648 had been effected by the Department. **The para was settled subject to verification** of recovery by Audit.

36. Para II-14: Pages 37-38 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.69,424

22-8-92: The Committee was not satisfied with the explanation of the Department and directed that the matter should be properly inquired into. The para was kept pending.

18-5-93: Audit accepted the contention of the Department that no overpayment was made to the contractor. **The para was settled.**

37. Para II-15: Page 38 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.35,207

22-8-92: The Departmental Representative explained that the audit objection was misconceived and no overpayment was involved. The Committee directed that the explanation of the Department about the formula of measurement in this case may be got verified by Audit. The para was kept pending.

18-5-93: The contention of the Department was found justified by Audit. **The para was settled.**

38. Para II-16: Pages 38-39 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.31,652

22-8-92: The para was kept pending with the direction that Audit would verify the record and submit a comprehensive note to the Public Accounts Committee.

18-5-93: The Department contended that no overpayment had been made to the contractor. The para was settled subject to the verification of record by Audit.

28-7-96: The explanation of the Department was accepted and the **para was settled.**

39. Para II-17: Page 39 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.27,026

23-8-93: The recoveries having been effected and verified by Audit, **the para was settled.**

40. Para II-18: Page 39 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.74,363

23-8-92: The Committee directed that the Administrative Secretary should look into the facts of the case and submit a comprehensive note to the PAC. The para was kept pending.

28-7-96: The Department explained that total recovery had been made and got verified by Audit. **The para was settled.**

41. Para II-19: Page 40 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.19,045

23-8-92: The Department explained that the amount had been recovered. **The para was settled subject to verification** by Audit.

42. Para II-20: Page 40 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.18,522

23-8-92: The Department explained that recovery of Rs.23,886 had been made as against the Audit figure of Rs.18,522. **The para was settled subject to verification** of record by Audit.

43. Para II-21: Pages 40-41 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.140,800

23-8-92: The Department explained that no extra measurement or extra payment was involved in this case. The width of the shoulder had wrongly been written as 4 feet instead of 4 inches. The committee agreed to this view point of Audit that the unit rate for bricks and edging include 4” wide earth shoulder.

The Committee decided that this **para shall stand settled** but it will not be quoted as precedent in other cases.

44. Para II-22: Page 41 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.16,890

23-8-92: The Committee asked Audit to examine this matter comprehensively and submit its note with recommendations to the PAC. This para will be linked to identical draft paras discussed by the Committee on 22.8.1992. The para was kept pending.

28-7-96: The PAC was apprised that the entire amount of the para had been recovered and got verified by Audit. **The para was settled.**

45. Para II-23: Page 41 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.185,323

23-8-92: The Department stated that the matter had been referred to the Standing Rates Committee in the Finance Department.

The Committee asked Audit to draft a comprehensive reference as the PAC intended to forward it to the Finance Secretary for early decision of the cases referred to the Standing Rates Committee. The para was kept pending.

28-7-96: The Department explained that as per decision of the Standing Rates Committee recovery of Rs.23,243 had already been effected and got verified by Audit and no further recovery was due.

Audit was of the view that according to decision of the Standing Rates Committee the rate of Rs.15.70 per Cft was payable while the Department paid a rate of Rs.21.05 per Cft. Thus overpayment was made and according to the said decision the recovery of overpaid amount was necessary. Therefore, balance recovery may be effected.

The PAC directed that Department should arrange the inspection of structure of the building by Audit within two weeks before a final decision was taken on this para. **The para was kept pending.**

46. Para II-24: Page 42 – Excess Payment Rs.563,672

21-12-95: The Department explained that quantity of work executed in excess was incorporated in the revised Technical Sanction Estimate. This fact had also been verified by Audit.

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

47. Para III-1: Page 42 – Infructuous/Fictitious and Unjustified Payment Rs.43,586,520

22-8-92: The Department explained that the para involved 16 roads. In case of six roads, the inquiries had been completed and action taken against the officials found responsible. In the remaining 10 cases the inquiries were pending. Moreover, the matter would be reviewed after the revision of the PC-I.

The Committee directed that the remaining inquiries be finalized expeditiously. The para was kept pending.

18-5-93: The Department explained that in six cases inquiry had been completed and Audit had demanded original record of inquiry for verification. In ten cases inquiry had been completed and sent to the Chief Minister as “Competent Authority”. The para was kept pending.

28-7-96: The Department explained that Inquiry Report had been completed and sent to the Chief Minister. The orders of the Chief Minister were awaited.

The para was kept pending.

48. Para III-2: Page 43 – Infructuous/Fictitious and Unjustified Payment Rs.45,000

23-8-92: According to Audit's point of view base, sub-base and earth work was not proved from the record.

The Department explained the process in detail regarding road construction which were considered necessary and record entries were available in the MBs. The explanation of the Department was accepted by the committee and the **para was settled.**

49. Para III-3: Pages 43-44 – Infructuous Expenditure Rs.681,942

21-12-95: The Department explained that according to clause II(b) of the contract repair of machinery was the responsibility of the Department. This fact had also been verified by Audit. The explanation of the Department was accepted and the **para was settled.**

50. Para III-4: Page 44 – Fictitious Payment Rs.151,747

21-12-95: The explanation of the Department was accepted and the **para was settled.**

51. Para III-5: Page 44 – Fictitious Payment Rs.10,885

21-12-95: The Department explained that machinery remained idle. The repair was done but even then the machinery could not become operative. An inquiry was also conducted by the S&GAD and as a result the XEN concerned was exonerated by the S&GAD.

The PAC was not satisfied and observed that relevant record i.e. bill duly pre-audited by the DA was not produced to Audit for scrutiny. The log book showed that the machinery was operative and even then a further amount of Rs.37,213 had been incurred on repair in addition to Rs.10,885 which was quite useless and therefore, recovery may be made from the

person responsible for incurring these unnecessary expenditure. The para was kept pending.

28-7-96: The Department explained that XEN concerned was promoted as SE and had retired three years ago. However, as the Officers involved were of the rank of XEN, therefore, the Government of the Punjab in the Communications and Works Department had been requested to appoint an Inquiry Officer to look into the matter.

The PAC directed the Department that directive of PAC dated 21.12.1995 may be implemented in letter and spirit. Recovery of the Government loss should be effected from the XEN, SDO and Sub-Engineer concerned. **The para was kept pending.**

52. Para III-6: Pages 44-45 – Irregular Sanction to Utilize Contractors, Bitumen Rs.1,885,124

21-12-95: Audit pointed out that bitumen was available with the Department at Rahim Yar Khan at a distance of 120 km, but the contractor was allowed to arrange bitumen from private sources and he purchased it from Lahore which was at a longer distance. The PAC directed that Administrative Department should inquire whether there was any *mala fide* on the part of the SE who allowed the use of bitumen from private sources. The inquiry be finalized within one month. The para was kept pending.

28-7-96: The Department explained that the work of National Highway was in progress but the bitumen was not available in the stock. Therefore, the contractors were allowed to arrange the bitumen from their own sources. However, in compliance with the PAC directive dated 21.12.1995 the higher authorities had been requested to appoint an Officer to conduct an inquiry into the matter.

The PAC observed that the departmental rules on the subject had definitely been violated. Therefore, the Department was directed to complete the inquiry within 15 days positively and to fix responsibility for the loss of Government money. **The para was kept pending.**

53. Para IV-1: Page 45 – Loss to Government Rs.54,513

22-8-92: The Department explained that there was no discrepancy in the quantity of bitumen. At one place it had been expressed in the shape of the number of drums and at other place it had been expressed in M.Tons. **The para was settled.**

54. Para IV-2: Page 45 – Doubtful Working of Road Roller Rs.131,930

21-12-95: The Department explained that machines remained idle for repair or for want of work. The rent thus worked out by Audit was quite imaginary. The factual position had also been verified by Audit. The explanation was accepted and the **para was settled.**

55. Para V-I(I): Page 46 – Misappropriation of T&P Articles Rs.55,210

21-12-95: The Department explained that recovery of Rs.30,800 since had been imposed on Mr. Ghulam Shabbir Qureshi, Sub-Engineer and Rs.1,252 had been recovered from him. The Committee was further informed that he was removed from service in November, 1993 but re-instated in February, 1994. The PAC directed that he may be suspended forthwith and recovery be made from him. The para was kept pending.

28-7-96: It was stated by the Department that T&P articles worth Rs.24,410 had been accounted for and shown to Audit. As such the amount of the para had been reduced to Rs.30,800. The amount of Rs.30,800 had been recovered and got verified by Audit. The explanation of the Department was accepted and the **para was settled.**

56. Para V-I(II): Page 46 – Misappropriation of Shortage of Stores Rs.22,400

23-8-92: The Department had not produced to Audit forms 12 and 13 for verification. The Committee observed as to why the handing/taking over had not been completed in time and directed the Department to hold an inquiry into this matter. The para was kept pending.

21-12-95: The Department explained that account of 1 No. Tar Boiler and 3 Nos Ceiling Fans had been made in the T&P Register. So far as the remaining Tar Boiler were concerned the same were fixed at sides of National Highways from where these were stolen at night hours on 3.8.1978. The theft case had been registered with the police. The police declared the case as un-traceable. Departmental Inquiry had been conducted and as a result no one had been held responsible.

The PAC directed the Department to move a case for write off sanction of the loss.

The para was kept pending for write off sanction of the loss and verification of the same by Audit along with the verification of account of 1 No. Tar Boiler by Audit.

28-7-96: It was stated by the Department that a case for write off sanction of the loss was under process and would be finalized in due course.

The PAC directed the Department to pursue the case of write off sanction and get the same finalized at the earliest. **The para was kept pending.**

57. Para V-2: Page 46 – Misappropriation on Account of Rent of Machinery Rs.129,048

21-12-95: The Department explained that the relevant record was with Anti-Corruption Department. The PAC directed the Department to obtain relevant record from the Anti-Corruption Department within two months for scrutiny by Audit. The para was kept pending.

28-7-96: The Department apprised the Committee that the relevant record could not be produced to Audit in compliance with the orders of PAC dated 21.12.1995 as the same was still lying with the Anti-Corruption Department and could not be obtained from there. However, an Officer had been directed to obtain the said record from Anti-Corruption and to produce the same to Audit.

The PAC directed that action should be completed within a month and the **para was kept pending.**

Annexure Paras

58. Para 38(7) (1981-82): Page 192 – Serial.13, Shortage of Store Rs.6,500

21-12-95: The Department explained that entire amount had been recovered and got verified. **The para was settled.**

59. Para 37(10) (1981-82): Page 191 – Serial. 9, Excess Payment to the Contractor Rs.7,060

21-12-95: The explanation of the Department was accepted and the **para was settled.**

60. Para 38(2) (1981-82): Page 192 – Serial 11, Shortage of Stores Rs.24,025

28-7-96: As the full amount of the Draft Para had been recovered and verified, the **para was settled.**

61. Para 30(4) (1980-81): Page 191 – Serial 6, Shortage of Stores Rs.116,944

28-7-96: The explanation of the Department was accepted and the **para was settled.**

62. Para 37(9) (1980-81): Page 191 – Serial 8, Excess Payment of Rs.33,580

28-7-96: The Department explained that the case for write off sanction of loss had been sent to Finance Department and the decision was awaited. **The para was kept pending.**

63. Para 42(3) (1981-82): Page 192 – Serial 14, Loss Due to Non-recovery of Secured Advance Rs.315,700

28-7-96: It was stated by the Department that the case for write off sanction of the loss had been sent to the Finance Department and the decision was awaited. **The para was kept pending.**

64. Para 38(i) (1981-82): Page 191 – Serial 10, Shortage of Store Rs.31,881

28-7-96: The Department explained that major portion of recovery i.e. Rs.1,66,932 had been effected leaving a balance of Rs.10,413. The Department further explained that the balance recovery was not possible. The explanation was accepted and the **para was settled.**

65. Para 38(3) (1981-82): Page 192 – Serial 12, Shortage of Store Rs.11,981

28-7-96: The explanation of the Department was accepted and the **para was settled.**

Working Papers not submitted

66. Para 16(a)12 (1955-56): Page 191 – Serial 1, Highway Division, Jhang

67. 17(a)3(2) (1959-60): Page 191 – Serial 2, Highway Division Rahim Yar Khan

68. Para 18(ii) (1966-67): Page 191 – Serial, Highway Division, Rawalpindi

69. Para 64(i) (1968-69): Page 191 – Serial 4, Machinery Maintenance Division, Lahore

70. Para 53 (!972-73): Page 191 – Serial 5, Balance Recovery of Rs.5,573

71. Para 30(xi) (1980-81): Page 191 – Serial 7, Machinery Maintenance Division, Bahawalpur

Performance Audit Report

72. Performance Audit Report on Upgrading of Old Carriageway Lahore- Sheikhpura Road, Chapter-II From Mile 5.25 To 9.83: Page 129

22-8-92: Audit pointed out that working paper on the Performance Audit Report about Sheikhpura had not been submitted by the Department. The Department was directed to submit the same before the next meeting.

18-3-93: The Administrative Secretary stated that the cost of the scheme rose from Rs.19.2 million to Rs.27.262 million because after visit of the Chief Minister and according to his directive the road had been fully carpetted, instead of providing triple surface treatment.

The Department provided explanation to the objection raised by Audit about defective planning and execution as well as poor contract management.

The Committee accepted the explanation of the Department and the **Performance Audit Report was accordingly disposed of.**

Co-operative Department

Overview

Total Paras	Civil
3	3

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Pended 3	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 3.7.1 Annexure Paras: 35, 27	1 2	

Discussed on 17 February 1992.

(Civil Audit)

1. Para 3.7.1: Page 42 – Irregular Payment of Office Rent Rs. 62,500

17-2-92: The Administrative Secretary informed the Committee that he was not satisfied with the inquiry already held and proposed to hold a fresh inquiry in the matter. The Committee directed that the fresh inquiry be finalized within 1½ month. **The para was kept pending.**

Working papers not submitted

2. Para 35 (1971-72): Page 247 – Serial 37, Extravagant Expenditures of Rs.20,718

3. Para 27 (1972-73): Page 248 – Serial 38, Embezzlement of Rs.4,979

Education Department Overview

Total Paras	Civil
112	112

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Finally Settled 93	Paras finally settled as the requisite action had been taken.	Civil: 4.1.1, 4.1.2(1), 4.1.2(2), 4.1.3(1), 4.1.3(2), 4.2.1(1), 4.2.1(2), 4.2.2, 4.2.3(2), 4.2.3(3), 4.2.3(4), 4.2.3(5), 4.2.3(6), 4.2.3(7), 4.2.3(8), 4.2.3(9), 4.2.3(10), 4.3.1, 4.3.2(1), 4.3.2(2), 4.3.2(3), 4.3.2(4), 4.3.2(5), 4.3.2(6), 4.3.2(7), 4.5.1, 4.6.1, 4.6.2(2), 4.6.2(3), 4.6.3, 4.6.4(1), 4.6.4(2), 4.6.5(1), 4.6.5(2), 4.6.5(3), 4.6.7(1), 4.6.7(2), 4.6.9(2), 4.6.10(1), 4.6.10(2), 4.6.10(3), 4.6.10(4), 5.1.1, 5.1.3, 5.1.4, 5.2.1, 5.2.2, 5.2.3, 5.2.4, 5.2.5, 5.2.6(1), 5.2.6(2), 5.2.6(3), 5.2.6(4), 5.2.6(5), 5.2.6(6), 5.2.6(7), 5.2.7, 5.2.8, 5.3.1, 5.3.2(1), 5.3.2(2), 5.3.2(3), 5.3.3, 5.5.1, 5.5.3(1), 5.5.3(2), 5.5.3(3), 5.5.3(4), 5.5.3(5), 5.5.3(6), 5.5.4, 5.6.1, 5.6.2, 5.6.3, 5.6.4, 5.6.5(1), 5.6.5(2), 5.6.5(3), 5.6.5(4), 5.6.5(5), 5.6.5(6), 5.6.5(7), 5.6.5(8), 5.7.1, 5.7.2, 5.8.1, 5.8.2(2), 5.8.2(3), 5.8.2(4), 5.8.3.	91	
		Annexure Paras: 26, 13(2)	2	
Paras Conditionally Settled 5	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Civil: 4.6.6, 4.6.11, 5.8.2(1), 4.2.3(1), 4.6.2(1)	5	
Paras Pended 14	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 4.6.8, 4.6.9(1), 5.1.2, 5.5.2	4	
		Annexure Paras: 29, 31, 1(1), 1(2), 1(5), 2(2), 12(4), 12(5), 14, 17(2)	10	

Discussed on 17 February 1,20, 28 August 1992, 31 January, 28 February 1993 and 28 December 1994.

1. Para 4.1.1: Page 44 – Shortage of Cash Rs.39,673

17-2-92: The alleged shortage of cash was reported as the cash book was not kept up-to-date and it was improperly closed with a wrong total. On pointing out by Audit, these errors had been rectified and no embezzlement detected.

The Committee directed the Department to issue instructions to all the DDOs that in future proper procedure for maintaining and checking the cash books be followed strictly. With this direction, the **para was settled.**

2. Para 4.1.2(1-2): Page 44 & 45 – Fraudulent Drawal of Union Fund Rs.13,404 and Rs.246

17-2-92: The Department informed the Committee that enquiry into the alleged withdrawal of Union Fund to the tune of Rs.13,404 had been conducted and found that the amount was well spent, fully documented and no embezzlement had been noticed. The record having been verified by Audit, the **paras were settled.**

3. Para 4.1.3(1): Page 45 – Less Deposit of Government Receipts Rs.99,464

17-2-92: Out of the actual total of Rs.95,919 a sum of Rs.58,578/25 had been recovered, deposited and verified by Audit. The balance of Rs.37,340/74 would be recovered from the concerned officers/officials. The Department was directed to expedite the balance recovery. The para was kept pending.

31-1-93: Full amount pertaining to tuition fee had since been recovered and verified by Audit. The Administrative Secretary stated that instructions had been issued to all concerned to deposit Government dues in the treasury at proper time in future. **The para was accordingly settled.**

4. Para 4.1.3(2): Page 45 – Less Deposit of Government Receipts Rs.25,128

17-2-92: The record having been verified by Audit, the **para was settled.**

5. Para 4.2.1(1): Page 46 – Non-disbursement of Pay/GP Fund Rs.13,943

17-2-92: The record having been verified by Audit, the **para was settled.**

6. Para 4.2.1(2): Page 46 – Non-disbursement of Pay/GP Fund Rs.101,928

17-2-92: The record having been verified by Audit, the **item was settled.**

7. Para 4.2.2: Page 46 – Pilferage of Store Articles Rs.10,558

17-2-92: The Department informed the Committee that an amount of Rs.4,558 had been recovered and the balance would be recovered shortly. The Department was directed

to expedite recovery and get the record verified by Audit. The para was kept pending.

31-1-93: Full recovery of the amount under Audit observation had since been recovered and verified by Audit, the **para was settled.**

8. Para 4.2.3(1): Page 47 – Non-deposit of Boys Fund/Tuition Fee Rs.56,620

17-2-92: Subject to verification of record by Audit, the **para was settled.**

9. Para 4.2.3(2): Page 47 – Non-deposit of Boys Fund/Tuition Fee Rs.30,074

17-2-92: The record having been verified by Audit, the **para was settled.**

10. Para 4.2.3(3): Page 47 – Non-deposit of Boys Fund/Tuition Fee Rs.8,427

17-2-92: The record having been verified by Audit, the **para was settled.**

11. Para 4.2.3(4): Page 47 – Non-deposit of Boys Fund/Tuition Fee Rs.5,063

17-2-92: Since Audit had verified recovery of Rs.5,063 pertaining to short deposit of tuition fee and refund of electricity charges, the **para was settled.**

12. Para 4.2.3(5): Page 47 – Non-deposit of Boys Fund/Tuition Fee Rs.1,985

17-2-92: The record of deposit of Rs.1,985 having been verified by Audit, the **para was settled.**

13. Para 4.2.3(6): Page 47 – Non-deposit of Boys Fund/Tuition Fee Rs.13,496

17-2-92: The para was settled subject to verification by Audit.

28-12-94: It was stated by the Department that after carrying out necessary rectifications of the sums involved, the exact amount of the para had been deposited into the treasury. Verification of record had been done by Audit. **The para was settled.**

14. Para 4.2.3(7): Page 47 – Non-deposit of Boys Fund Rs.20,879

17-2-92: Subject to verification of deposit by Audit, the para was settled.

28-12-94: The amount of the para had been deposited and verified by Audit. **The para was settled.** Anyhow, it was directed by the Public Accounts Committee that responsibility for not depositing the amount into Government Treasury be fixed and action against defaulter be taken.

15. Para 4.2.3(8): Page 47 – Non-deposit of Boys Fund/Tuition Fee Rs.564,738

17-2-92: The record having been verified by Audit, the **para was settled.**

16. Para 4.2.3(9): Page 48 – Non-deposit of Boys Fund/Tuition Fee Rs.13,593

17-2-92: The para was settled subject to verification by Audit.

28-12-94: The Department stated that warning had been issued to the defaulting official. As the recovery had been made and verified by Audit, the **para was settled.**

17. Para 4.2.3(10): Page 48 – Non-deposit of Boys Fund/Tuition Fee Rs.107,902

17-2-92: This para was based on para 6 of Audit Report for the year 1970-72. The Department had been insisting that Audit may provide it school-wise detail of the amount to proceed further in the matter. Audit was not in a position to supply the requisite details. In view of this position, the **para was settled.**

18. Para 4.3.1: Page 48 – Un-due Payment of Scholarships Rs.7,728

1-8-92: The record having been verified by Audit, the **para was settled.**

19. Para 4.3.2(1): Pages 48-49 – Non-deduction of House Rent Rs.38,451

17-2-92: The Committee accepted the explanation of the Department and the **para was settled.**

20. Para 4.3.2(2): Pages 48-49 – Unauthorized Drawal of House Rent Allowance/Non-deduction of 5% Recovery Rs.31,195

17-2-92: The recovery having been verified by Audit, the **para was settled.**

21. Para 4.3.2(3): Pages 48-49 – Unauthorized Drawal of House Rent Allowance/Non-deduction of 5% Recovery Rs.22,673

1-8-92: The Amount of rent having been deposited by the District Education Officer concerned and verified by Audit, the **para was settled.**

22. Para 4.3.2(4): Pages 48-49 – Unauthorised Drawal of House Rent Allowance/Non-deduction of 5% Recovery Rs.18,754

1-8-92: The Department explained that the House Rent Allowance drawn by the officer was admissible to him. Secondly the room rent was not to be paid at 5% of the pay – but as assessed by the concerned Department. Assessment of rent having been verified by Audit, the **para was settled.**

23. Para 4.3.2(5): Pages 48-49 – Unauthorised Drawal of House Rent Allowance Rs.31,782

1-8-92: As the actual recoverable amount pertaining to Government accommodation used by the employees had been recovered and verified by Audit, **the para was settled.**

24. Para 4.3.2(6): Page 48-49 – Unauthorised Drawal of House Rent Allowance/Non-deduction of 5% Recovery Rs.17,730

1-8-92: The Committee directed that the Department should warn the teachers not to occupy residential accommodation without proper permission and payment of Government assessed rent.

Subject to the above observation, the **para was settled,** as total recovery of the amount under observation had been made and verified by Audit.

25. Para 4.3.2(7): Page 48-49 – Unauthorised Drawal of House Rent Allowance/Non-

deduction of 5% Recovery Rs.13,200

1-8-92: Audit informed the Committee that the affidavit of the officer, certified by the Illaqa Magistrate in lieu of non-occupation of office room as residence, had been verified.

The Committee, however, directed that affidavit of the employee should not be accepted in future. In case an affidavit was tendered by an employee for non-occupation of residential accommodation, then the Department should verify it. Subject to this observation, the **para was settled.**

26. Para 4.5.1: Page 49 – Non-realization of Admission Fee Rs.6,150

1-8-92: The para was related to non-realization of admission fee from the students on their first entry to the school. The Department explained that no such fee had been prescribed in the Education Code.

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

27. Para 4.6.1: Page 50 – Non-maintenance of Cash Book Rs.253,401

1-8-92: The para pertained to the non-maintenance of cash books for a certain period. The Department explained that this irregularity had occurred during the tenure of two Head Masters, one had been retired and the other expired. Moreover, the cash book had since been completed by their successor.

The Committee did not satisfied with the explanation and observed that the matter required investigation and action against the officials responsible for this irregularity. The Committee directed that a departmental preliminary inquiry should be held through the Director of Education and completed within one month. The para was kept pending.

31-1-93: The Department explained that the enquiry was held. Two Head Masters were held responsible. Both of them had retired and one of them had expired.

The Finance Department pointed out that though there was no embezzlement, yet non-maintenance of cash book for 15 months was a serious irregularity and depicted lack of supervision.

The Committee directed the Department to probe this matter further and fix responsibility on supervisory staff at that time for not properly supervising the work of the Head Masters. The para was kept pending.

28-2-93: Audit reported that cash book was not maintained for 15 months.

The Department explained that during the period one Head Master had been retired in 1979 and later expired, while the other Head Master was compulsorily retired. Moreover, both the District Education Officers at the relevant time had also retired. In these circumstances, disciplinary action was rather impossible. However, there was no misappropriation. Relevant record had been verified by Audit.

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

28. Para 4.6.2.(1): Pages 50-51 – Transactions not Passed Through Cash Book Rs.6,294

1-8-92: This para is related to non-maintenance of the cash book. The Committee did not accept the explanation of the Department and directed that the official concerned should be charge-sheeted and inquiry should be held under the E&D Rules for fixing responsibility against him for his failure to enter the treasury cash transactions in the cash book. The para was kept pending.

31-1-93: Audit reported that cash was drawn but not recorded in the cash book which was a violation of financial rules.

The Department conducted preliminary inquiry only after the directive of Public Accounts Committee of 1.8.92 in which the Headmistress had been held responsible and action under Efficiency and Discipline Rules was still pending.

Haji Ghulam Haider Khan Khichi, MPA, remarked that delay was there and silence of the Department was questionable.

The Finance Department pointed out that facts were available and in fact preliminary inquiry was not needed. The Department must have proceeded straightaway for action under Efficiency and Discipline Rules.

The Administrative Secretary assured the Committee to report solid progress in the next meeting.

At this stage the Committee took a very serious view over Department's lethargic attitude towards its clear directive of 1.8.92 for action against official concerned under Efficiency and Discipline Rules. The Department was again directed to immediately proceed against the official concerned under Efficiency and Discipline Rules. The para was kept pending.

The Committee observed that the Department had not come prepared with the agenda and queries of the Members had not been properly and satisfactorily replied. The Public Accounts Committee also observed that it would be constrained to report this matter to the Assembly for further necessary action if performance and behavior of the Department did not improve.

28-2-93: The Department stated that preliminary inquiry had since been completed and action under Efficiency and Discipline Rules will be completed within 3 months. The para was kept pending.

28-12-94: The Department explained that the disciplinary proceedings against the officer concerned had been finalized and the Competent Authority had exonerated him. **The para was settled** subject to verification of record of disciplinary proceedings by Audit.

29. Para 4.6.2.(2): Pages 50-51 – Transactions not Passed Through Cash Book Rs.25,340

1-8-92: As this para was repetition of para 4.6.1 for the year 1987-88 and the duplication had been verified by Audit, the **para was deleted**.

30. Para 4.6.2.(3): Pages 50-51 – Transactions not Passed Through Cash Book Rs.86.595

1-8-92: Audit informed the Committee that the certificate of STO, Bhalwal, duly countersigned by DAO, Sargodha, to the effect that the amounts in question did not pertain to Government Islamia High School, Bhera, District Sargodha, had been verified. **The para was settled** accordingly.

31. Para 4.6.3: Page 51 – Non-accountal Of Surplus Cash Rs.598,718

1-8-92: The disbursement of actual payees receipts had been verified by Audit. **The para was settled**.

32. Para 4.6.4(1): Page 52 – Cash Found Deficient in Chest Rs.28,421

1-8-92: Vouchers for Rs.28,421 having been verified by Audit, the **para was settled**

as no embezzlement was involved.

33. Para 4.6.4(2): Page 52 – Cash Found Deficient in Chest Rs.40,064

1-8-92: The Department informed the Committee that the official against whom cash was found short due to non-entries in the cash register, had been warned. The disbursement of the amount had also been verified by Audit. **The para was settled** accordingly.

34. Para 4.6.5(1): Pages 52-53 – Utilization of Departmental Receipts Through Expenditure Rs.6,117

1-8-92: Deposit of Rs.6,117, duly certified by DAO, Okara, having been verified by Audit, the **para was settled**.

35. Para 4.6.5(2): Pages 52-53 – Utilization of Departmental Receipts Towards Expenditure Rs.75,738/

1-8-92: The Department explained that income and expenditure accounts pertaining to Agriculture Farm had been maintained properly and the net income of Rs.1,26,444 had been deposited into the Government Treasury.

Audit certified that verification had been done. **The para was settled** accordingly.

36. Para 4.6.5(3): Pages 52-53 – Utilization of Departmental Receipts Towards Expenditure Rs.94,886

1-8-92: The Department explained that the bus charges realized from the students had been utilized towards repairs and POL charges of the school bus due to insufficient funds. But now the amount was being credited to the Government Treasury. The explanation of the Department was accepted and **the para was settled**.

37. Para 4.6.6: Page 53 – Excess Payment of TA/DA Rs.43,497

1-8-92: The para pertained to the non-recovery of Rs.43,497 from various officers/officials of the Department for irregular receipt of TA/DA. The Department informed the Committee that Rs.21,877 had been recovered and got verified by Audit and recovery of the remaining amount was in progress. The Committee directed that the balance of Rs.21,619 should be recovered expeditiously and got verified by Audit. Subject to verification by Audit, the para was settled.

28-12-94: **The para was settled subject to recovery** of balance amount of Rs.17,529 and its verification by Audit.

38. Para 4.6.7(1): Pages 53-54 – Payment out of Lapsed Grants Rs.8,103

1-8-92: The Department explained that the cheques for payment of repairs of schools had been issued before the date of expiry of funds, but the actual payment was made on satisfactory completion of work. The explanation of the Department was accepted and the **para was settled**.

39. Para 4.6.7(2): Page 53-54 – Payment out of Lapsed Grants Rs.60,000

1-8-92: The Department explained that the cheques had been issued within the stipulated period but payment to contractors was made on satisfactory completion of work. The explanation of the Department was accepted and the **para was settled.**

40. Para 4.6.8: Page 54 – Purchase at Higher Rates from Same Firm Rs.67,550

1-8-92: The Committee did not satisfied with the departmental explanation regarding purchase of cash registers, attendance registers, etc. at higher rates. The Department explained that Committee comprising Mr. Ghulam Rasul Malik, Deputy Director, Education, (Schools) Rawalpindi, and Mr. Nasim, Audit Officer, Attock, had been constituted to make a probe into the matter. The findings of the Committee would be completed within one month, for submission to the PAC. The para was kept pending.

28-2-93: The Department stated that in a Departmental Inquiry the case had been proved against Mr. Muhammad Iltaf Alyana, Director of Education, Rawalpindi Division. The permission of the Chief Secretary was being sought for appointing Authorized Officer for formal inquiry under Efficiency and Discipline Rules. The para was kept pending.

28-12-94: The Department explained that an Authorized Officer had since been appointed to proceed against the accused officer. The Authorized Officer has requested the SGA&ID for appointing an Inquiry Officer from OSD Inquiries. The Administrative Secretary assured the Committee that he will get the inquiry officer appointed within two weeks and also get the disciplinary proceedings finalized within three months. He regretted the delay already made by the Department in this case. The Committee took serious notice of non-compliance of the previous Public Accounts Committee directive. The Committee directed that the case be finalized within three months and report be submitted to the Committee. **The para was kept pending.**

41. Para 4.6.9(1): Page 55 – Non-accountal of Store Articles Rs.137,300

1-8-92: The Committee directed that the departmental Engineers should hold an inquiry regarding consumption of old material and the relevant record. A copy of the inquiry report should be provided to Audit for verification. Subject to verification by Audit, the para was settled.

28-12-94: The Committee directed that the Administrative Department may appoint a Committee, including a representative each of the Civil Audit and Works Audit, for detailed examination of this para and report within a month. **The para was kept pending.**

42. Para 4.6.9(2): Page 55 – Non-accountal of Articles Rs.698,973

1-8-92: The Committee was informed that stock entries in the main stock register of DEO (Women), Kasur, as well as Primary and Middle Schools had been verified by Audit. **The para was settled** accordingly.

43. Para 4.6.10(1): Pages 55-56 – Payment Made Without Receipt of Store Articles Rs.16,750

1-8-92: Audit having verified that the purchase of two typewriters done after observance of usual codal formalities, the **para was settled.**

44. Para 4.6.10(2): Pages 55-56 – Payment Made Without Receipt of Store Articles Rs.55,720

1-8-92: The stock entries of type-writer having been verified by Audit, the para was settled.

45. Para 4.6.10(3): Pages 55-56 – Payment Made Without Receipt of Store Articles Rs.67,500

1-8-92: The relevant record having been verified by Audit, the para was settled.

46. Para 4.6.10(4): Pages 55-56 – Payment Made Without Receipt of Store Articles Rs.9,414

1-8-92: The Department accepted that the relevant record was not available. It was explained that the chairs were misplaced during bifurcation of school and college. The Department assured the Committee that the officer concerned had retired from service and was an honest man. In view of his honesty, the officers of the Department had made contributions and a sum of Rs.9,414 had thus been collected to cover the loss. The explanation of the Department was accepted and the para was settled.

47. Para 4.6.11: Page 56 – Lack of Financial Interest of the State Due To Payment of Rent at the Enhanced Rate Rs.32,376

1-8-92: Audit had pointed out that the rent of hired buildings for schools and offices had been paid at higher rates without getting the same assessed by the Excise & Taxation Department or other Competent Authority.

The Department informed that in Rawalpindi the rent had been paid according to the assessment of E&T Department, whereas in Kahuta it had been paid according to the assessment of PWD, which was the Competent Authority in this case. The para was settled subject to verification by Audit.

28-12-94: The Department was directed to get the record, proving their contention, verified by Audit. **The para was settled subject to verification by Audit.**

48. Para 5.1.1: Page 58 – Difference in Total of Receipt of Payment Side of Cash Not Carried Forward Rs.8,000

1-8-92: The Department informed the Committee that payment for the purchase of furniture was actually made but, due to an over-sight, disbursement entry in the cash book could not be made. The omission had since been rectified and verified by Audit. **The para was settled** accordingly.

49. Para 5.1.2: Page 58 – Embezzlement in Zakat Scholarships Rs.10,900

1-8-92: Out of Rs.10,900 an amount of Rs.7,600 was stated to have been disbursed. The Department was directed that acquaintance rolls/actual payees' receipts of this amount may be got verified by Audit. For the balance amount of Rs.3,300 out of the amount of the para and embezzlement of Rs.50,000 separately decided by the Department itself, the case may be pursued with the Anti-Corruption Department for early finalization. Moreover, the defaulter should also be proceeded under the E&D Rules. The para was kept pending.

28-2-93: As far as the amount of Rs.10,900 was concerned, Rs.8,600 had since been disbursed to students, while Rs.2,300 had since been recovered and refunded to Zakat

Department. This position had since been verified by Audit. The para was settled. As far as the case of embezzlement of Rs.50,000 was concerned, the Department was directed to pursue the matter with Anti-Corruption Establishment and conduct Departmental Inquiry under Efficiency and Discipline Rules against the defaulting officials.

In order to watch the Government interest, the Department was directed to inform the Public Accounts Committee and Audit about its progress.

28-12-94: The Department explained that the case of embezzlement of Rs.50,000 against Mr. Ghulam Shabbir Jaffri, was under trial in the Anti-Corruption Court and the next date of hearing was 15-1-1995. **The para being sub judice was kept pending.**

50. Para 5.1.3: Page 59 – Non-deposit of Receipts into Treasury Rs.129,433

1-8-92: The Department explained that all the receipts had been deposited in sub-treasury through local branch of National Bank of Pakistan. The explanation of the Department was accepted and **the para was settled.**

51. Para 5.1.4: Page 59 – Sale Proceeds of Auctioned Property Not Deposited into Government Treasury Rs.25,826

1-8-92: The deposit of sale proceeds having been verified by Audit, the **para was settled.**

52. Para 5.2.1: Page 60 – Loss to Government Due To Unauthorized Drawal of Amount Kept as Fixed Deposit in the Bank Rs.237,560

1-8-92: The Department explained that since the Viqar-un-Nissa School Society was a private organization, therefore, the amount remained as fixed deposit in the National & Grindlays Bank Ltd. As such, the Department was not involved in the matter. The explanation of the Department was accepted and the **para was settled.**

53. Para 5.2.2: Page 60: Shortage of Science Equipment Rs.33,503

1-8-92: The para pertained to the shortage of science equipment worth Rs.33,503. The Department explained to the Committee that as a result of the inquiry held through the Director of Education (Colleges), Rawalpindi, equipment worth Rs.24,530 had been found available but articles worth Rs.8,973 were still missing. As a result of the inquiry, therefore, recovery had been imposed upon the Principal/Teachers for the loss and the amount had been recovered. Subject to verification by Audit, the para was settled.

28-12-94: The Department explained that deposit of Rs.8,973 had been made vide Treasury Challan No. 20 dated 28-7-92. **The para was settled.**

54. Para 5.2.3: Page 61 – Misappropriation of Science Grant Rs.31,393

1-8-92: The verification of stock entries in the relevant stock registers having been done by Audit, the **para was settled.**

55. Para 5.2.4: Page 61 – Mis-use of Student Fund - Rs.23,186

1-8-92: The Department explained to the Committee that the amount of Rs.23,186 had

been incurred out of students fund and this expenditure spread over a period of 10 years because petty amounts had been spent from time to time during this period.

Verification having been done by Audit, the **para was settled.**

56. Para 5.2.5: Page 62 – Purchase of Sub-standard Desert Coolers Rs.17,228

1-8-92: The explanation of the Department was accepted and the **para was settled.**

57. Para 5.2.6.(1): Pages 62-63 – Shortage of Store and Stock Articles Rs.13,202

1-8-92: The verification of stock entries having been done by Audit, the **para was settled.**

58. Para 5.2.6.(2): Pages 62-63 – Shortage of Store and Stock Articles Rs.7,154

1-8-92: The record having been verified by Audit, the **para was settled.**

59. Para 5.2.6(3): Pages 62-63 – Shortage of Store and Stock Articles Rs.5,400

1-8-92: The record having been verified by Audit, the **para was settled.**

60. Para 5.2.6(4): Pages 62-63 – Shortage of Store and Stock Articles Rs.17,357

1-8-92: The relevant record having been verified by Audit, the **para was settled.**

61. Para 5.2.6(5): Pages 62-63 – Shortage of Store and Stock Articles Rs.54,883

1-8-92: The stock entries in the relevant registers having been verified by Audit, the **para was settled.**

62. Para 5.2.6(6): Pages 62-63 – Shortage of Store and Stock Articles Rs.23,700

1-8-92: The Committee took serious note of the fact that the Officers/Officials often failed to produce the relevant record at the time of audit either deliberately or through negligence. The Department was directed to issue strict instructions, both to the College and School side, that production of record was mandatory and severe disciplinary action would be taken against the defaulters. The Department was directed to get the record verified by Audit. The para was kept pending.

28-2-93: Since the amount under observation was included in para 5.2.6(7), the **para was deleted.**

63. Para 5.2.6.(7): Pages 62-63 – Shortage of Store and Stock Articles Rs.53,544

1-8-92: The para was kept pending for rechecking by Audit.

28-2-93: It was explained that the amount of the para comes to Rs.34,044 and not Rs.53,544.

Audit having verified stock/issue entries of sports articles for Rs.23,700, Rs.3,767, and Rs.6,577 and letter of DPI (Colleges) regarding sharing of cost of uniform articles, the **para was settled.**

64. Para 5.2.7: Page 63 – Non-accountal of Store Articles Rs.9,180

1-8-92: The Committee took a serious note of the fact that the Officers/Officials often failed to produce the relevant record at the time of audit either deliberately or through negligence. The Department was directed to issue strict instructions, both to the College and School side, that production of record was mandatory and severe disciplinary action would be taken against the defaulters. The Department was directed to get the record verified by Audit. The para was kept pending.

28-2-93: The stock entries of electrical material valuing Rs.9,180 now having been verified by Audit, the **para was settled.**

65. Para 5.2.8: Page 64 – Misappropriation of Science Fund Rs.55,328

1-8-92: The stock entries in the relevant stock register having been verified by Audit, the **para was settled.**

66. Para 5.3.1: Page 64 – Doubtful And Unwarranted Purchase of Furniture Articles Rs.44,760

1-8-92: The Department assured the Committee that the purchase of furniture for Government Inter Islamic College, Jalalpur Jattan was made after fulfilling codal formalities and, as such, there was no irregularity. The position having been verified by Audit, the **para was settled.**

67. Para 5.3.2(1): Page 65 – Purchase at Higher Rate Rs.19,256

1-8-92: The verification having been made by Audit, the **para was settled.**

68. Para 5.3.2.(2): Page 65 – Purchase at Higher Rate Rs.9,300

1-8-92: Audit contended that there were two tenders for the purchase of articles. The rates quoted in the second tender were low as compared to the first one but, inspite of that, articles were purchased at a higher rate on the basis of the first tender. The Department explained that one tender was called on 11.10.86 and the other on 3.5.87. Audit had misunderstood the position of these two separate tenders. Actually there was no irregularity. The articles already purchased vide the earlier tender were included in the subsequent tender through an oversight. The explanation of the Department was accepted and the **para was settled** accordingly.

69. Para 5.3.2(3): Page 65 – Purchase at Higher Rate Rs.5,769

1-8-92: The Department informed the Committee that the para had already been settled by the DAC. As Audit had verified the factual position, the **para was settled.**

70. Para 5.3.3: Pages 65-66 – Payment of Rent of Institute Building at Enhanced Rate Rs.31,000

1-8-92: The recovery of house rent, amounting to Rs.31,000 having been effected and verified by Audit, the **para was settled.**

71. Para 5.5.1: Page 66 – Short Realization of Tuition Fee from Student Rs.8,601

1-8-92: The para pertained to the less deduction of tuition fee. As the recovery had been effected and verified by Audit, the **para was settled.**

72. Para 5.5.2: Pages 66-67 – Wasteful Expenditure Rs.30,000

1-8-92: Regarding wasteful expenditure of Rs.30,000 the departmental contention was that the Government Commercial Training Institute, Okara, was shifted to a Government building from a private hired building. The rented building was retained from 1.1.1986 to 31-3-1987 for hostel accommodation. Due to students' strike the Institute remained closed and no student applied for admission in the hostel. Audit's pointed out that it was a wasteful expenditure because there was no student available for hostel accommodation. Moreover, the Department could not take a decision for fifteen months resulting in a loss of Rs.30,000 to public exchequer.

The Committee did not satisfied with the explanation tendered by the Department and directed that recovery of Rs.30,000 should be effected from the defaulting Officer, the para was kept pending.

28-2-93: The Administrative Secretary stated that the recovery of Rs.30,000 had since been imposed on the defaulting Officer. The para was kept pending for effecting the recovery.

28-12-94: The Administrative Secretary explained that recovery of the amount was being made from the two Officers involved. The Committee directed that recovery be completed within six months and disciplinary action also be taken against them. **The para was kept pending.**

73. Para 5.5.3.(1): Page 67 – Vouched Account not Submitted Rs.37,418

1-8-92: Verification of the relevant record having been done by Audit, the **para was settled.**

74. Para 5.5.3.(2): Page 67 – Vouched Account not Submitted Rs.317,863

1-8-92: Verification of the relevant record having been done by Audit, the **para was settled.**

75. Para 5.5.3.(3): Page 67 – Vouched Account not Submitted Rs.63,047

1-8-92: Verification of the relevant record having been done by Audit, the **para was settled.**

76. Para 5.5.3.(4): Page 67 – Vouched Account not Submitted Rs.20,974

1-8-92: Verification of the relevant record having been done by Audit, the **para was settled.**

77. Para 5.5.3.(5): Page 67 – Vouched Account not Submitted Rs.11,482,513

1-8-92: The Department was directed to submit to Audit a comprehensive list of recipients of this special grant for science equipment and library funds as well as the amount disbursed to them. Audit would then check a number of institutions according to their choice and, accordingly, submit a report to the PAC. If considered necessary, the Committee Members would visit some of the institutions included in the list according to pick and choose system. The para was kept pending.

28-2-93: It was reported that the lists for distribution of grant to schools for purchase of science equipment/material and library books in Punjab had since been provided to Audit. The Department assured the Committee that funds to schools were released only after purchase of required items/books and verification of Inspection Committee. However, proper record had been maintained at all schools and there was no complaint or misappropriation involved. The Committee accepted the explanation of the Department. **The para was accordingly settled.**

78. Para 5.5.3.(6): Page 67 – Vouched Account not Submitted Rs.4,216,250

(a) In-Service College Teachers Training Projects

20-8-92: Audit pointed out that vouched accounts of advance payments drawn from the Treasury were not produced to them for verification. The Committee directed that the Department should get the accounts verified by Audit, within a month. The item was kept pending.

(b) Women Colleges Schemes

20-8-92: It was explained to the Committee that a sum of Rs.6,691,246 was provided by the Federal Government for the provision of commercial classes in five female colleges, provision of single room accommodation in ten female colleges and provision of 30-days care centres at selected female colleges in the Punjab. Out of this amount Rs.5,730,959 had been incurred on the implementation of the above schemes leaving a balance of Rs.9,60,286 in the PLA. This amount was freezed under Government Orders. The expenditure incurred was duly audited by Audit Party of the Federal Government (Women Division). This part of the para was settled.

28-2-93: The actual amount of the grant was Rs.4,261,250 and not Rs.4,216,250 released by Women Division, Islamabad, for following three projects:-

1)	Provision of single room accommodation to lady teachers working in female colleges in the Punjab	
		3,342,000
2)	Estt. of Day care Centres in 30 Colleges in the Punjab	660,000
3)	Introduction of commercial classes in 5-female colleges in the Punjab.	259,250

Audit party of the Donor having verified the vouched account for items 2 and 3, while funds for item 1 was placed at the disposal of C&W Department and they have got it verified from Audit. **The para was accordingly settled.**

79. Para 5.5.4: Page 68 – Non-realization of Lease Money Rs.37,500

20-8-92: Audit brought to the notice of the Committee that 30 acres of land used to be leased out by the Department at the rate of Rs.250 per acre and a total sum of Rs.7,500 accrued to them annually on this account. On a departmental order, the land was converted into a vegetable garden and the leasing was stopped. The loss of Rs.37,500 occurred to the Government due to the fact that the said land was neither cultivated nor given on lease.

The Department explained that the land pertained to the Government College of Technology, Rasul which was training the students in civil technology where vast fields are essential for surveying. For this purpose, trees had been planted on this particular piece of

land and “best tree plantation award” had been granted to this institution. Some portion of land was also converted into play ground for the students and the principal was competent to do so. The explanation of the Department was accepted and the **para was settled.**

80. Para 5.6.1: Page 68 – Irregular Expenditure out of Students Funds Rs.30,500

28-8-92: The Department explained to the Committee that the amount of Rs.19,338 had been spent on the welfare of the students out of the students’ fund on loan basis and had since been refunded to the relevant funds. The balance of Rs.11,162 had been incurred out of Burqa Fund for payment of salary to the lady attendant who was appointed for safe custody of the burqas of the students/staff. The explanation of the Department was accepted and the **para was settled.**

81. Para 5.6.2: Page 69 – Un-authorized Deduction of Private Share of Electricity Charges Rs.64,289

20-8-92: Audit had objected that in GTTT College, Faisalabad electricity connection had been extended to residential houses from the college meter. Previously, the electricity bill was apportioned at the ratio of 30:70 between private houses and the Government. But later on the ration borne by the residential houses was reduced to 15%. The Department explained that due to some additional installations on the campus, the load on Government side increased, therefore, the position was reviewed and the share of residential houses in the electricity bill was reduced to 15% on the basis of the actual load and with the approval of WAPDA.

Audit objected that industrial unit was charged @ Rs.2 by WAPDA while for domestic purposes it was forty paisas only. Therefore, it was a loss to Government.

The Committee directed that all efforts may be made to install separate meters for residential houses. The previous direction of the Committee in a similar case relating to the Health Department shall also apply in this case and all other similar cases. The para was kept pending till the installation of private meters.

28-2-93: The sub-meters having been installed and verified by Audit, the **para was settled.**

82. Para 5.6.3: Page 69 – Drawal of Pay of Staff in Excess of Sanctioned Strength Rs.35,029

20-8-92: The number of posts having been verified by Audit, the **para was settled.**

83. Para 5.6.4: Page 70 – Un-authorized Opening of Bank Account Rs.2,774,520

20-8-1992: The draft para pertained to unauthorized opening of bank account. A sum of Rs.19 lac was deposited by DPI, Punjab (since retired) in a current account with the National Bank of Pakistan in 1975. The matter remained unresolved for quite some time and, after a lengthy correspondence, the Department was advised by the Finance Department to deposit the amount in question under Head “1251-Education General Recoveries of Over-payment”. The departmental explanation for failure on its part to deposit the amount according to the advice of the Finance Department was that due to bifurcation of the Directorate into DPI (Schools) and DPI (Colleges), the bank account could not be operated by either of the two. Audit objected that since the amount was kept in current account therefore no interest had accrued to it resulting in loss to Government.

The Committee directed that both the DPIs should jointly withdraw the amount and

deposit it against the head indicated by the Finance Department in the State Bank within a month. The para was kept pending.

28-2-93: An amount of Rs.2,642,442.20 has since been withdrawn from NBP A/C No. 4935, Main Branch, The Mall, Lahore and deposited into Government Treasury according to advice of Finance Department. Audit having verified the above position, the **para was settled.**

84. Para 5.6.5(1): Pages 70-71 – Purchase of Furniture, Science Equipments against Rules Rs.359,799

20-8-92: Audit brought to the notice of the Committee that the Department constituted a Departmental Purchase Committee, consisting of three members, for their convenience but, while making purchases, the members were not associated with the process. The Department explained that at the time of purchase of articles no principal had been appointed for the Women College. Therefore, powers of DDO were given to the principal of Boys College to make the purchase. The explanation of the Department was accepted and the **para was settled** with the direction that in future the purchases should be made through the validly constituted Purchase Committees.

85. Para 5.6.5(2): Pages 70-71 – Purchase of Furniture, Science Equipments against Rules Rs.133,166

20-8-92: The para was settled with the same remarks as in para No. 5.6.5(1).

86. Para 5.6.5(3): Pages 70-71 – Purchase of Furniture, Science Equipments against Rules Rs.300,000

20-8-92: The para was settled with the same remarks as in para No. 5.6.5(1).

87. Para 5.6.5(4): Pages 70-71 – Purchase of Furniture, Science Equipments against Rules Rs.498,884

20-8-92: The para was settled with the same remarks as in para No. 5.6.5(1).

88. Para 5.6.5(5): Pages 70-71 – Purchase of Furniture, Science Equipments. against Rules Rs.10,000

20-8-92: The para was settled with the same remarks as in para No. 5.6.5(1).

89. Para 5.6.5(6): Pages 70-71 – Purchase of Furniture, Science Equipments against Rules Rs.45,010

20-8-92: The para was settled with the same remarks as in para No. 5.6.5(1).

90. Para 5.6.5(7): Pages 70-71 – Purchase of Furniture, Science Equipments against Rules Rs.74,873

20-8-92: The para was settled with the same remarks as in para No. 5.6.5(1).

91. Para 5.6.5(8): Pages 70-71 – Purchase of Furniture, Science Equipments against

Rules Rs.711,267

20-8-92: The para was settled with the same remarks as in Para No. 5.6.5(1).

92. Para 5.7.1: Page 71 – Unnecessary Purchase of Minolta Plain Paper Copier Rs.49,700

20-8-92: In reply to unnecessary purchase of Minolta Plain Paper Copier objected by Audit, the Department explained that at the time of purchase of the photo copier, the library was under construction and it could not be completed within the stipulated period by the PWD. The Department never intended to block the Government money but the purchase was made to avoid lapse of funds. The explanation of the Department was accepted and the para was settled.

93. Para 5.7.2: Page 72 – Appointment of Hostel Staff without Hostel Rs.171,600

20-8-92: The position having been verified by Audit, the para was settled.

94. Para 5.8.1: Pages 72-73 – Recovery of Excess Payment Rs.14,466

20-8-92: The recovery of Rs.3,027 relating to over payment to four Officials for wrong fixation of pay and on account of short supply of library cards having been verified by Audit, the para was settled.

95. Para 5.8.2(1): Page 73 – House Rent Allowance Paid to Occupants of Government Residence Rs.18,300

20-8-92: Audit informed that partial recovery had been made. The present outstanding balance was Rs.9,377/73. The Committee directed that the balance amount should also be recovered expeditiously. Subject to recovery and its verification by Audit, the para was settled.

Government Girls Inter College Chunian Distt: Kasur, Rs.18,300

28-12-94: The Committee directed that recovery be expedited. The para was settled subject to verification of recoveries by audit.

96. Para 5.8.2(2): Page 73 – House Rent Allowance Paid to Occupants of Government Residences Rs.66,781

20-8-92: The verification of (a), (b) and (c) having been done by Audit, the items were settled. Regarding item (d) Department's explanation was accepted. The para was settled accordingly.

97. Para 5.8.2(3): Page 73 – House Rent Allowance Paid to Occupants of Government Residences Rs.13,509

20-8-92: As the recovery had been verified by Audit, the para was settled.

98. Para 5.8.2(4): Page 73 – House Rent Allowance Paid to Occupants of Government Residences Rs.5,175

20-8-92: The recovery of house rent having been verified by Audit, the **para was settled.**

99. Para 5.8.3: Page 74 – Furniture not Returned by the Staff Rs.14,400

20-8-92: The Department informed the Committee that Stock Certificate obtained from the Principal had been verified by Audit. **The para was settled** accordingly.

Annexure Paras

100. Para 26 (1971-72): Page 245 – Serial 8, Non-recoveries of Contribution Rs.463,222

28-2-93: The Department once again intend to move Finance Department for write off. The para was kept pending for recovery/write off.

28-12-94: It was stated by the Administrative Department that case for writing off of the amount involved was moved to the Finance Department. The Department regretted its inability to trace twenty five years old record asked for by the Finance Department. The contention of the Department was accepted by the Public Accounts Committee and the **para was settled.**

101. Para 29(1971-72): Page 245 – Serial 9, Misappropriation of Cash and Stores Rs.113,574

28-2-93: The Department informed the Committee that after Military Court's conviction, both Muhammad Anwar Lodhi and Barkat Ullah, Junior Clerks, involved in embezzlement of fees amounting to Rs.113,574 were proceeded under Efficiency and Discipline Rules. The former was held responsible but he absconded while the latter had been exonerated for lack of evidence against him. Muhammad Anwar Lodhi was dismissed from service on 13-9-1988. The Department further informed the Committee that it intended to move the Finance Department for write off and the Collector for recovery as arrears of land revenue. The para was kept pending.

28-12-94: The Department informed the Committee that the case related to the embezzlement of Rs.113,574 by two clerks of the College. They were tried by ML authorities and were awarded RI of three months each. They were reinstated by the Competent Authority after they had been released from jail. The case was discussed by the Public Accounts Committee and the para was settled subject to the regularization by Finance Department. Again a Departmental Inquiry was initiated against them and Mr. Anwar Lodhi was found responsible for the embezzlement of the stated amount of Rs.113,574. Since he had absconded, therefore, the recovery was to be made from him as arrears of land revenue. On account of his willful absence, he had been removed from service. In the event of non-recovery the amount involved would be got written off from the

Finance Department after obtaining comments of the District Collector. The Committee directed that the action be expedited. **The para was kept pending.**

102. Para 13(2) (1982-83): Page 246 – Serial 18, Rs.23,153

28-2-93: The Finance Department accorded write off sanction with regard to the amount involved in this para. The write off sanction of Finance Department was verified by Audit and the **para was settled.**

Working Papers not submitted

103. Para 31 (1972-73): Page 245 – Serial 10, Embezzlement of Stock Rs.31,214

104. Para 1(1) (1977-78): Page 245 – Serial 11, Irregularities in Local Purchase of Stocks Rs. 30,081

105. Para 1(2) (1977-78): Page 245 – Serial 12, Irregularities in Local Purchase of Stocks Rs.26,765

106. Para 1(5) (1977-78): Page 245 – Serial 13, Irregularities in Local Purchase of Stocks Rs.17,377

107. Para 2(2) (1977-78): Page 245 – Serial 14, Embezzlement of Rs.13,242

108. Para 12(4) (1981-82): Page 245 – Serial 15, Misappropriation of Cash Rs.6,231

109. Para 12(5) (1981-82): Page 245 – Serial 16, Misappropriation of Cash Rs. 6,080

110. Para 14 (1981-82): Page 245 – Serial 17, Irregular Purchase of Industrial Googs Rs 39,171

111. Para 17(2) (1982-83): Page 246 – Serial 19, Unnecessary drawal of Cash Rs.66,538

Excise and Taxation

Overview

Total Paras	Civil	Revenue Receipts	Commercial
32	1	21	10

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Noted 5	The paras were noted as no further action was required either because they were of descriptive nature or contained Accounts and departmental financial reviews.	Commercial: 3(ix), 56, 57, 58, 59.	5	
Paras Finally Settled 16	Paras finally settled as the requisite action had been taken.	Civil: 6.2.1. Revenue Receipts: 2.2, 3.4-1(a), 3.4-1(b), 3.4-1(c), 3.4-2(b), 3.4-2(c), 3.4-2(d), 3.6, 3.7, 4. Commercial: 51, 52, 53, 54, 55.	1 10 5	
Paras Conditionally Settled 1	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Revenue Receipts: 3.5.	1	
Paras Pended 10	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Revenue Receipts: 1.1(a) (b) (c), 1.2, 1.3, 1.4, 1.5, 2.1, 3.1, 3.2, 3.3, 3.4-2(a).	10	

Discussed on 30 November 1991, 29 November 1992 and 23 May 2002.

(Civil Audit)

1. Para 6.2.1: Page 76 – Misappropriation on Account of Telephone Charges Rs.6,804

30-11-1991: It was observed, though no misappropriation was involved in this case, yet the drawal of advance amount at the end of the financial year to make payment of anticipated telephone bills of the next year was against the rules.

The Committee decided to issue a direction to all the Departments to avoid such advance payments in future. With this observation, the **para was settled.**

(Revenue Receipts Audit)

2. Para 2.2: Page 5-6 – Excess Collection and Less Collection of Taxes and Fees

30-11-1991: The explanation of the Department was accepted and the **para was settled.**

3. Para 3.4-1(a): Pages 14-15 – Due to Computational Error Rs.80,982

30-11-1991: The verification having been done by Audit, the **para was settled.**

4. Para 3.4-1(b): Pages 15-16 – Due to Adoption of Lesser Rents Rs.478,234

30-11-1991: The Committee directed that the mistakes/omissions pointed out during the internal Audit must be conveyed immediately to the Officer concerned and the **para was settled.**

The Department was directed to pursue the case regarding Para No. DP-318-PB-ETO, Jhelum.

5. Para 3.4-1(c): Page 16 – Due to Non-aggregation of Properties Rs.66,168

30-11-1991: The Department and Audit were directed to sit together and chalkout a workable system for the assessment of tax. With this observation, the **para was settled.**

6. Para 3.4-2(a): Page 17 – Non-issuance of Demand Notices Rs.521,477

30-11-1991: As per request of the Department, the Committee agreed to give three month's time for recovery of the balance amount of Rs.240,766. **The para was kept pending.**

7. Para 3.4-2(b): Page 17 – Non-realization of Property Tax Rs.672,637

30-11-1991: The verification having been done by Audit and the **para was settled.**

8. Para 3.4-2(c): Page 18 – Non-recovery of Share of Provincial Government on Account of Property Tax from Cantonment Boards Rs.288,193

30-11-1991: The position having been verified by Audit and the **para was settled.**

9. Para 3.4-2(d): Page 19-20 to 23 – Omission in Carrying Forward the Arrears of Property Tax Rs.153,015

30-11-1991: The position having been verified by Audit and the **para was settled.**

10. Para 3.5: Page 20-23 – Non-recovery of Token Tax Rs.4,245,031

30-11-1991: The Department was directed to make efforts for recovery of the balance amount. **The para was settled subject to recovery** and its verification by Audit.

11. Para 3.6: Page 23 – Non-recovery of Entertainment Duty Rs.11,642

30-11-1991: Position/recovery having been verified by Audit, the **para was settled.**

12. Para 3.7: Page 24 – Non-recovery of Arrears of Cotton Fee Rs.34,646

30-11-1991: Position having been verified by Audit and the **para was settled.**

13. Para 4: Page 25-26 – Showing the Position of Audit and Inspection Reports

30-11-1991: The Committee was informed that out of 70 Audit and Inspection Reports, 63 reports had been settled. **The para was settled.**

(Commercial Audit)

Government Opium and Alkaloid Factory, Lahore

1. Para 51: Page 103 – Working Results

29.11.92: It was brought to the notice of the Committee that the Factory earned profit in subsequent year and the profit for 1989-90 amounting to Rs.2,796,389 which was appreciable. **The para was settled accordingly.**

2. Para 52: Page 103 – Non-recovery of Outstanding Advances

29.11.92: The irrecoverable amount of Rs.260,096 had been written off by the Government and verified by Audit. **The para was settled.**

3. Para 53: Page 103 – Liquidation of Liabilities

29.11.92: Audit commented that the amount appearing under Sundry Creditors had been taken as income in the Accounts for the year 1987-88. **The para was settled.**

4. Para 54: Page 103 – Non-maintenance of Books of Accounts on Commercial Pattern

29.11.92: The books of accounts having been maintained on Commercial pattern as per advice of Audit, the **para was settled.**

5. Para 55: Page 103 – Non-verification of Stock Register

29.11.92: Verification of stock register and stores having been done by Audit, the **para** **was settled.**

Finance Department

Overview

Total Paras	Civil
3	3

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Conditionally Settled 1	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Civil: 9.6.1.	1	
Paras Pended 2	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 9.3.1, 9.3.2.	2	

Discussed on 30 March 1992.

(Civil Audit)

1. Para 9.3.1: Page 105 – Overpayment to the Officers/Official Due to Wrong Fixation of Pay, Allowance and Incorrect Calculation of Pension Rs.134,713

(i) Rs.47,749

30-3-92: This part was related to overpayment to the Officers of Irrigation and Power, Agriculture and Highway Departments made due to wrong fixation of pay. The DAO Sargodha had allowed this payment on the basis of LPCs issued by Accountant General, Punjab.

The Committee directed the Department to write to Administrative Secretaries of the said Departments to prepare a list showing the names of the Officers who had received overpayment, along with the names of their Administrative Departments and appear before the Public Accounts Committee No. II in the next meeting and explain their respective position with regard to terms and conditions of appointments of said Officer and

devise mechanism to effect recoveries from them. The Accountant General should also be invited to explain the position with regard to issuance of wrong LPCs to the said Officers. The item was kept pending.

(ii) Rs.37,701

30-3-92: The Committee directed the Department to make a list of Officers who had received overpayment and communicate it to the Administrative Secretary concerned for action and personally report in the next Committee meeting about its progress. The item was kept pending.

(iii) Rs.6,108

30-3-92: It was reported that full recovery of the amount has since been made. The Committee decided to settle this item subject to verification of recovery by Audit.

(iv) Rs.1,008

30-3-92: It was reported that full recovery of this overpayment had since been made. Subject to verification by Audit, the item was settled.

(v) Rs.14,088

30-3-92: Mr. Shah Muhammad had been retired from service in 1972 from the Agriculture Department and this overpayment was the result of miscalculation of pay and allowances/pension by the National Bank of Pakistan.

The Committee directed that DAO Sargodha should write to the concerned Bank to effect recovery from Mr. Shah Muhammad in easy installments.

The Committee also directed that the system of checking of treasuries and sub-treasuries should be streamlined. The Finance Department explained that there were 32 treasuries and 17 sub-treasuries, but there were only two Inspectors for their inspection.

Audit suggested that a Cell should be created for internal Audit of the treasuries. The item was kept pending for progress report in the next meeting.

(vi) Rs.28,059

30-3-92: The Officer was not entitled to gratuity and overpayment was made to him unauthorisedly.

The Committee directed the Department to hold inquiry into the matter and the person responsible for making overpayment be proceeded under the Efficiency and Disciplinary Rules, 1975. The item was kept pending.

(vii) Rs.20,011

30-3-92: This amount had been overpaid to Mr. Muhammad Qasim, Store Keeper of Small Dams Organization, Rawalpindi, due to wrong calculation of pension by showing incorrect date of appointment. The Committee directed that the Secretary Irrigation & Power be called to explain the position in this matter in the next meeting of the Committee. The item was kept pending. **The para was kept pending.**

2. Para 9.6.1: Page 106 – Overpayment to the Pensioners by Various Branches of National Bank of Pakistan Rs.775,415

30-3-92: Out of the total recoverable amount of Rs.775,415 incorrectly made to various pensioners by National Bank of Pakistan Branches, a sum of Rs.6,92,314/37 had since been

recovered and efforts for recovery of the balance of Rs.74,821/86 were in progress. **The para was settled subject to verification** of full recovery by Audit.

The Committee directed the Finance Department to examine the existing system of allowing increases in pension through National Bank of Pakistan and evolve a comprehensive and fool proof system to avoid such overpayments of pensions in future.

Food Department

Overview

Total Paras	Civil
87	87

Abstract

Status	Decision	Para Nos.	Total
Paras Finally Settled 17	Paras finally settled as the requisite action had been taken.	Civil: 7.1.1(4), 7.1.2(1), 7.1.2(2), 7.2.1(4), 7.2.1(6), 7.2.2(2), 7.2.2(4), 7.2.2(5), 7.2.2(7), 7.2.2(9), 7.2.2(10), 7.2.2(11), 7.2.3(5), 7.2.4, 7.2.5(1), 7.2.5(2), 7.2.5(6).	17
Paras Conditionally Settled 3	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Civil: 7.2.1(11), 7.2.2(8), 7.2.2(12).	3
Paras Pended 67	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 7.1.1(1), 7.1.1(2), 7.1.1(3), 7.1.3, 7.2.1(1), 7.2.1(2), 7.2.1(3), 7.2.1(5), 7.2.1(7), 7.2.1(8), 7.2.1(9), 7.2.1(10), 7.2.2(1), 7.2.2(3), 7.2.2(6), 7.2.2(13), 7.2.3(1), 7.2.3(2), 7.2.3(3), 7.2.3(4), 7.2.5(3), 7.2.5(4), 7.2.5(5), 7.2.5(7), 7.2.5(8), 7.2.5(9), 7.2.5(10), 7.2.6(1), 7.2.6(2), 7.2.6(3), 7.3.1, 7.3.2, 7.4.1, 7.5.1(1), 7.5.1(2), 7.5.2(1), 7.5.2(2), 7.5.2(3), 7.5.3(1), 7.5.3(2), 7.5.3(3), 7.5.3(4), 7.5.3(5), 7.6.1, 7.6.2(1), 7.6.2(2), 7.6.2(3), 7.6.3, 7.8.1, 7.8.2, 7.8.3, 7.10.1(1), 7.10.1(2), 7.10.1(3), 7.10.1(4).	55
		Annexure Paras: 35, 8(2), 8(9), 8(19), 5(4), 5(3), 11(1), 16(2), 37(1), 37(2), 42(2), 43.	12

Discussed on 18 February, 18 March 1992, 30 and 31 March 1993

(Civil Audit)

1. Para 7.1.1(1): Page 78 – Theft of Gunny Bags to Rs.86,400

18-2-92: The Department explained that out of 10,800 ‘B’ class bags stolen from PR Centre, Panwan District Sheikhpura, 2,200 bags in ‘D’ class shape were recovered from the accused by the police. The accused who was an outsider was convicted to undergo RI for a term of one year, by the Court. Moreover, the Departmental Inquiry was held against the concerned officials, but they were exonerated. In view of the Court’s decision, the matter had been referred to the Finance Department for write off of the un-recovered bags. **The para was kept pending.**

2. Para 7.1.1(2): Page 78 – Embezzlement/Theft of Gunny Bags Rs.3,44,680

i) Multan-I - 1,965 Bags

18-2-92: This item being duplication of Para No. 5.2.8 (1984-85), it was decided to delete it from here subject to verification of the minutes.

ii) Lodhran - 1,169 Bags

18-2-92: This item stands already settled by the Public Accounts Committee on 2, 3-5-1990.

iii) Lodhran - 47 Bales

18-2-92: This pertains to recovery of Rs.2,39,700 as cost of 47 bales. A case FIR No.5/85 was registered against Ch. Din Muhammad, FGI. He was dismissed from service after Departmental Inquiry, but was reinstated by Special Judge, Anti-Corruption, Multan. The matter was being re-inquired involving Ch. Din Muhammad, Food Grain Inspector and the Chowkidar as well which had been fixed for hearing for 19-2-1992. With the above information, the items were kept pending. **The para was kept pending.**

3. Para 7.1.1(3): Page 78 – Theft of Gunny Bags Rs.1,440,240

Theft of 15 Bales

18-2-92: The item being duplication of para Nos. 6-7 (1985-86), the Committee decided to delete it from here, subject to verification of the minutes.

One Damaged Bale of 1977-78

18-2-92: The recovery having been verified by Audit, the item was settled.

76,055 ‘D’ Class + 4,155 Non-PR Bags

18-2-92: The Department informed the Committee that out of the above bags, 70,409 bags had been declassified and its auction money viz. Rs.11,500 had been deposited into the Treasury which has been verified by Audit.

The case of 9,811 ‘D’ Class bags was still pending for verification of declassification and responsibility on the concerned person will be fixed. **The para was kept pending.**

4. Para 7.1.1(4): Page 78 – Theft of Gunny Bags Rs.50,000

18-2-92: Theft of 6,250 empty gunny bags valuing Rs.50,000 at PR Center Sohawa District Jhelum, having been written off vide Finance Department Memo No. Exp(Food)-1-23/90 dated 11-4-1991 and verified by Audit, the **para was settled.**

5. Para 7.1.2(1): Page 79 – Sale Proceeds of Sugar and Wheat not Deposited Rs.7,463

18-2-92: Sale proceeds of Sugar and Wheat amounting to Rs.7,463 having since been deposited into the treasury and verified by Audit, the **para was settled.**

6. Para 7.1.2(2): Page 79 – Sale Proceeds of Sugar and Wheat not Deposited Rs.15,200

18-2-92: This para was based upon some misunderstanding and it was clarified by the Department that there was no agricultural land in the premises of Mailsi and Gaggo Centre. The Committee accepted the above explanation and the **para was dropped.**

7. Para 7.1.3: Pages 79-80 – Fraudulent Drawal of Money Through Forged Bill Rs.15,132,651

18-2-92: It was stated that it was an important case in Vehari wherein Rs.15,132,651 were drawn fraudulently through forged bills. It was stated by the Administrative Secretary that the following recoveries had been made from Mr. Naeem Anwar, Ex-FGI.

- (1) Rs.39 lac in the shape of Prize Bonds and the case was pending before Special Judge Customs at Karachi and the Government was trying to become an interested party in this case.
- (2) Rs.25 lac worth accounts had been frozen.
- (3) Rs.45 lac cash.

The FIA was seized of this matter and investigation was in progress. The Deputy Commissioner, Vehari had also been moved to initiate recovery proceedings against the accused as arrears of land revenue. The FIA was also in touch with Foreign Office and Interpol.

The Committee expressed concern over this matter which, in fact, was very serious and showed its displeasure on the inefficiency of the supervisory officers as well. The Committee directed that legal action against the then Supervisory Officers should also be taken. **The para was kept pending.**

8. Para 7.2.1(1): Pages 80-81 – Godown Shortage of Wheat Rs.565,383

18-2-92: The Department explained that it was a case of godown shortage of wheat amounting to Rs.5,65,383. A criminal case against Rashid Ahmad, Ex-FGI had been got registered which was pending for trial in the court of Special Judge, Anti-Corruption, Lahore and fixed for hearing on 7-3-1992. As a result of the Departmental Inquiry, he was dismissed from service.

Recovery proceedings of the said amount as arrears of land revenue were pending before the Collector, Sheikhpura. **The para was kept pending.**

9. Para 7.2.1(2): Pages 80-81 – Godown Shortage of Wheat Rs.133,406

18-2-92: The Department explained that it was yet another case of godown shortage of wheat valuing Rs.1,33,406. Its responsibility was fixed on Qazi Zafar Ali, Food Grain Supervisor, Manawala Centre, District Sheikhpura.

Under E & D Rules, he was removed from service. A criminal case had also been registered against him and proceedings were in progress to recover the amount as arrears of land revenue before the Collector. **The para was kept pending.**

10. Para 7.2.1(3): Pages 80-81 – Godown Shortage of Wheat Rs.270,488

18-2-92: The Department informed the Committee that three Officials were departmentally proceeded against. Two had since been dismissed, namely, S. Tajamal Hussain Shah, FGI, and Asad Ullah Nasir, FGS, and a case of recovery from each of Rs.103,645/81 was pending before District Collector, Sheikhpura as arrears of land revenue.

The third official Muhammad Bashir Butt was reinstated by the Punjab Service Tribunal. He has been served with a notice to deposit the amount of Rs.207,291/62, within three months. The next date of hearing in this case had been fixed for 3-3-1992. **The para was kept pending.**

11. Para 7.2.1(4): Pages 80-81 – Godown Shortage of Wheat Rs.27,329

(1) MB Division

18-2-92: Write-off/recovery having been verified by Audit, the item was settled.

(2) Jano Chak Godown No. 7 storage shortage of 3.800 M. Tons valuing Rs.9,842

18-2-92: The total loss had since been written off by the Competent Authority and verified by Audit. **The para was settled.**

12. Para 7.2.1(5): Pages 80-81 – Godown Shortage of Wheat Rs.430,327

(i) PR Centre Bini Shells

18-2-92: The Department explained that the Competent Authority was not satisfied with the inquiry already held, so a fresh inquiry had been initiated in this case. The item was kept pending.

(ii) PR Centre Chanigoth

18-2-92: The Authority/DF has written off 1,329.525 Kgs of wheat, while for the remaining quantity of 5,890.475 Kgs, the matter had been referred to the Government for write-off as it was beyond his competency. Regular inquiry had also been conducted and write off of total shortage recommended. The item was kept pending.

(iii) PR Centre Head Rajkan - 12.920 M.Tons

18-2-92: After regular inquiry the Competent Authority had written off the total quantity which had been verified by Audit. Hence the item was settled.

(iv) PR Centre, Tailwala - 13.300 M. Tons

18-2-92: Audit having verified the write off, the item was settled.

(v) PR Center, Hasilpur - 36,005 M. Tons

18-2-92: After Audit verification the amount of the para had been reduced to Rs.19,151. The item was kept pending.

(vi) PR Centre, Israni - 34,295M. Tons

18-2-92: The quantity of 24.786,323 M. Tons valuing Rs.58,000 had been written off which had been duly verified by Audit. After inquiry Rs.22,250 for Quantity 9.508.677 M.Tons had been imposed on Shakeel Ahmad Shah, AFC (Rtd) for recovery which had not yet been materialized. The Collector had also been moved to initiate recovery as arrears of land revenue, besides registration of a criminal case against him. The item was kept pending.

(vii) Flag Centre, Khairpur (T) - 7.460 M.Tons

18-2-92: No godown shortage. The record having been verified by Audit, the item was settled.

(viii) PR Centre, Yazman - 26,980 M.Tons

18-2-92: The quantity of 8,547.010 Kgs had been written off, while recovery of Rs.43,133/20 for 18,432.990 Kgs had been made, deposited and, verified by Audit. Hence the item was dropped.

At this stage the Administrative Secretary informed the Committee that a special cell in his office had been set up which received and monitored all sanctions of write-off. On scrutiny, if it was found that any order had not been appropriately passed it was set aside and fresh inquiry was ordered. As may please decide whether it may remain and a Different Inquiry Officer was appointed to look into the matter. **The para was kept pending.**

13. Para 7.2.1(6): Pages 80-81 – Godown Shortage of Wheat Rs.43,310

18-2-92: The write-off sanction and deposit having been verified by Audit, the **para was settled.**

14. Para 7.2.1(7): Pages 80-81 – Godown Shortage of Wheat Rs.537,700

(i) Matotli Centre - 1.568 Tons

18-2-92: The entire loss amounting to Rs.7,212 had been recovered and verified by Audit, hence the item was settled.

(ii) Shujabad - 58.148 M. Tons

18-2-92: The disciplinary case against Khadim Hussain, FGI, had not yet been finalized. The item was kept pending.

(iii) Dairapur - 155.051 M. Tons Wheat

18-2-92: The item being duplication of para No. 7.2.1 of 1987-88. The item was deleted from here subject to verification of minutes of the Committee.

(iv) Jahanian - 19.016 M. Tons

18-2-92: The Committee directed the Department to finalize the disciplinary case by the next meeting. **The para kept pending.**

15. Para 7.2.1(8): Pages 80-81 – Godown Shortage of Wheat Rs.728,605

(1) Fortabbas PR Centre - 3.230 M. Tons Shortage

18-2-92: The item being duplication of para 8.2.1(5) of 1986-87, it was dropped subject to verification of minutes of the Committee.

(2) 134/Murad - 4.453 M. Tons Shortage

18-2-92: The item being duplication of Para 8.2.1(5) of 1986-87, it was dropped subject to verification of minutes of the Committee.

(3) 107/6-R - 282.815 M. Tons in 2,977 Bags

18-2-92: The item was kept pending as the case was fixed for hearing before the Authority for 24-2-1992. **The para was kept pending.**

16. Para 7.2.1(9): Pages 89-81 – Godown Shortage of Wheat Rs.166,054

(1) Fatehpur

18-2-92: Out of 69.811 M. Tons shortage of wheat, 19.250 M. Tons godown shortage had been written off, while for the remaining quantity, 50.561 M. Tons representing enroute shortage Rs.64,590/39 had been deposited into the Treasury. These facts had been verified by Audit. The item was settled.

(2) Karor Lal 9.750 M. Tons Shortage valuing Rs.19,792/50

18-2-92: Rs.9,880 for 750 M. Tons and Rs.6,188 for 2.975 M. Tons had been recovered and deposited into the Treasury, while quantity of 2.975 M.Tons valuing Rs.6,188 had been written off. The position having been verified by Audit, the item was settled. **The para was settled.**

17. Para 7.2.1(10): Pages 80-81 – Godown Shortage of Wheat Rs.245,130

(1) Binishell Vehari - 41.824 M. Tons Wheat Rs.83,648

18-2-92: Write-off sanction from the Competent Authority was awaited. The item was kept pending.

(2) Arewahan - 1,136.292 M. Tons

18-2-92: The decision of the Competent Authority was still awaited. The item was kept pending.

(3) Arewahan - 42.270 M. Tons Damaged Wheat

18-2-92: Subject to verification, the item was settled.
The para was kept pending.

18. Para 7.2.1(11): Page 76 – Godown Shortage of Wheat Rs.107,526

(i) Godown Shortage of 19.665 M. Tons Wheat Rs.45,229

18-2-92: The item being repetition of Para No. 8.2.1(1) of 1986-87, it was decided to delete from here subject to verification of minutes of Committee.

(ii) Godown Shortage of 28.975 M.Tons Wheat Rs.62,296.25

18-2-92: The item being repetition of Para No. 8.2.1(1) of 1986-87, it was decided to delete from here subject to verification of minutes of the Committee. **The para was settled subject to verification.**

19. Para 7.2.2(1): Pages 81-82 – Enroute Shortage of Wheat Rs.484,686

18-2-92: Out of Rs.484,686 partial recovery of Rs.287,371/30 had been effected and deposited into the Treasury, while the balance of Rs.197,314/70 was still outstanding. **The para was kept pending.**

20. Para 7.2.2(2): Pages 81-82 – Enroute Shortage of Wheat Rs.73,981

18-2-92: Out of total enroute shortage, 36.444 M. Tons and 22.800 M. Tons wheat had been acknowledged by In charge Mughalpura Centre, Lahore, while for the enroute shortage of 13.644 M. Tons, the cost had been recovered, deposited into the Treasury and, verified by Audit. **The para was settled.**

21. Para 7.2.2(3): Pages 81-82 – Enroute Shortage of Wheat Rs.245,490

1. Kot Abbas Shaheed

18-2-92: The deposit having been verified by Audit, the item was settled.

2. Dhanote Centre

18-2-92: The Committee directed that the recovery from the contractor and the official, respectively be expedited and criminal case be also got registered. The item was kept pending.

3. Shujabad Centre

18-2-92: The actual shortage was 3.855 M. Tons and not 7.650 M.Tons. Deposit of Rs.5,642 for the actual quantity had since been made into the Treasury which stands duly verified by Audit. The item was settled.

4. Tatepur Centre

18-2-92: The actual shortage of 13.425 M. Tons (and not 13.215 M.Tons) had since been adjusted in subsequent purchase bills of the growers which had been verified by Audit. The item was settled.

5. Dunyapur

18-2-92: The recovery of Rs.13,296/30 stood included in Rs.14,507/50 which had been deposited into the Treasury. The item was dropped subject to verification by Audit.

6. Zarif Shaheed

18-2-92: The Committee directed that recovery be expedited. The item was kept pending.

7. Dhanote

18-2-92: The item was settled as adjustment of Rs.800 had since been verified by Audit.

8. Kothi Gaveen

18-2-92: The record of recovery having since been verified by Audit, the item was settled.

9. Lodhran

18-2-92: The deposit had since been verified by Audit. Hence the item was settled.

10. Lodhran

18-2-92: Record/deposit had since been verified by Audit, the item was settled.

11. Jahanian Centre

18-2-92: The entire amount of Rs.30,107 had since been deposited into the Treasury. Subject to verification by Audit, the item was settled.

12. Khanewal Centre

18-2-92: The item was settled subject to verification by Audit. **The para was kept pending.**

22. Para 7.2.2(4): Pages 81-82 – Enroute Shortage of Wheat Rs.46,737**(1) 311/HR**

18-2-92: Deposit of recovery of Rs.438 had been verified by Audit. Hence the item was settled.

(2) Donga Bonga

18-2-92: 11.400 M.Tons wheat had been acknowledged by destination centre, while amount of Rs.1,296 towards the cost of 576 Kgs had been deposited into the Treasury and verified by Audit. The item was settled.

(3) Donga Bonga

18-2-92: Audit had verified the deposit of Rs.1,168 for the total quantity. Hence the item was settled.

(4) 107/6-R- Actual 0.570 M.Tons Instead of 6.570 M.Tons

18-2-92: The record having been verified by Audit for deposit of Rs.1,311 for the actual shortage of 0.570 M.Tons, the item was settled. **The para was settled.**

23. Para 7.2.2(5): Pages 81-82 – Enroute Shortage of Wheat Rs.11,116

18-2-92: The Committee accepted the explanation of the Department for the adjustment of Rs.11,116/28 for 5.476 M.Tons of Wheat. **The para was settled.**

24. Para 7.2.2(6): Pages 81-82 – Enroute Shortage of Wheat Rs.339,501 ‘A’ Part**i) Alipur Centre - 0.095 M.Tons of Wheat****ii) Thatta Gurmani - 0.955 M.Tons of Wheat**

18-2-92: Deposit of Rs.2,090 had since been verified by Audit. Hence the items were settled.

iii) Rangpur Centre - 6.375 M.Tons of Wheat

18-2-92: The said quantity was received at PR Centre Gudra vide GP 5 No. 45/635 dated 3-8-1983, hence the item was settled.

iv) Khargarh - Centre 8.075 M.Tons of Wheat Rs.17,361

18-2-92: The Department was making efforts to recover the balance. The item was kept pending.

v) Alipur Centre - 17.036 M.Tons of Wheat Rs.34,520

18-2-92: The matter was still pending for recovery. The item was kept pending.

‘B’ Part**(i) Muzafargarh**

18-3-92: The Committee observed that huge amount of loss had been written off by the DDF, DG Khan in exercise of his discretionary powers. The Committee wanted to satisfy itself whether the discretion had been exercised judiciously after inquiry of the case.

The Committee directed that the concerned Officer who had sanctioned the write-off, should appear before it personally in the next meeting, along with all the relevant

record of the case, including the inquiry report on which his decision to write-off the loss was based.

(ii) **Khangarh**

18-3-92: Same remarks as in item No.1 above.

(iii) **Pattal Munda**

18-3-92: Same remarks as in item No. I above.

(iv) **Chak Bodla**

18-3-92: Same remarks as in item No. I above.

(v) **Alipur**

18-3-92: Same remarks as in item No. I above, subject to the observation that the matter of recovery of certain amount in this connection from the pension/gratuity of deceased Official, Mukhtar Qureshi, should be treated as settled so far as PAC was concerned. **The para was kept pending.**

25. Para 7.2.2(7): Pages 81-82 – Enroute Shortage of Wheat Rs.44,934

18-3-92: Recovery having since been effected and verified by Audit, the **para was settled.**

26. Para 7.2.2(8): Pages 81-82 – Enroute Shortage of Wheat Rs.65,606

(i) **Karor L.Essan**

18-3-92: The recovery of the entire amount had been verified by Audit. The item was settled.

(ii) **Karor L.Essan**

18-3-92: The position/recovery had been verified by Audit. The item was settled.

(iii) **Kot Sultan**

18-3-92: The Committee was informed by the Department that one-third salary of the defaulting official Mr. Haq Nawaz, had been attached for the recovery of Rs.16,000. Subject to recovery of the full amount and its verification by Audit, the item was settled. **The para was settled subject to verification.**

27. Para 7.2.2(9): Pages 81- 82 – Enroute Shortage of Wheat Rs.80,748

18-3-92: The deposit having been verified by Audit, the **para was settled.**

28. Para 7.2.2(10): Pages 81-82 – Enroute Shortage of Wheat Rs.374,432

18-3-92: Verification having been done by Audit in all the items, the **para was settled.**

29. Para 7.2.2(11): Pages 81-82 – Enroute Shortage of Wheat Rs.301,454

18-3-92: The position/recovery having been verified by Audit, the **para was settled.**

30. Para 7.2.2(12): Pages 81-82 – Enroute Shortage of Wheat Rs.45,930

(a) Choti Zarin

18-3-92: The Department assured the Committee that one-third salary of the defaulting official had been attached for the recovery of the cost of 414 empty bags. Subject to recovery of the amount and its verification by Audit, the item was settled.

(b) Shah Sadar Din

18-3-92: Recovery/Deposit having been verified by Audit, the item was settled. **The para was settled subject to verification.**

31. Para 7.2.2(13): Pages 81-82 – Enroute Shortage of Wheat Rs.1,527,184

18-3-92: The Committee directed that since several Districts were involved in this case a centralized inquiry should be conducted at the directorate level by a senior officer and responsibility fixed for the shortage pertaining to each centre. **The para was kept pending.**

32. Para 7.2.3(1): Pages 82-83 – Irregular Declassification of ‘A’ Class Gunny Bags into ‘D’ Class Without Sanction Rs.8,954,060

18-3-92: The Committee was not satisfied with the explanation of the Department and directed that an inquiry should be conducted to ascertain as to how ‘A’ class bags were converted into ‘D’ class. Detailed classification centre-wise should be submitted to the PAC in its next meeting. **The para was kept pending.**

33. Para 7.2.3(2): Pages 82-83 – Irregular Declassification of ‘A’ Class Bags into ‘D’ Class Without Sanction Rs.7,86,000

18-3-92: The Administrative Secretary was directed to re-examine the whole case. The Department was further directed to submit a case to the Committee as an example indicating as to how de-classification of bags was being done by it. **The para was kept pending.**

34. Para 7.2.3(3): Pages 82-83 – Irregular Declassification of ‘A’ Class Gunny Bags into ‘D’ Class Without Sanction Rs.448,455**i) Tarrakkhu Add - 7550 Bags Rs.67,950**

27-2-93: It was stated by the Administrative Department that out of 7,550 B-Class bags 7,120 bags are outstanding against one Mr. Sehat Masih, FGS. It was also stated that 791 bags had been declared surplus and auctioned, deposit of which had been verified by Audit. Recovery for 7,120 bags is to be made good from Mr. Sehat Masih, FGS compulsorily retired.

The Public Accounts Committee was not satisfied with the method of recovery. The Department was directed to take immediate stern disciplinary action for recovery of outstanding amount from the defaulters instead of looking for other remedies available through Courts. The Public Accounts Committee also directed that such cases were not police cases and should be registered in Anti-corruption Department. The item was kept pending.

ii) Karor Centre - 4,586 bags

27-2-93: The declassification order having been verified by Audit, the item was settled.

iii) Lalazar - 715 bags

27-2-93: The sanction having been verified by Audit, the item was settled.

iv) 120-TDA - 988 Bags Rs.13,832

27-2-93: The relevant record pertaining to the declassification of bags had been verified by Audit. The item was settled.

v) Chowk Azam - 22635 Bags Rs.2,96,034

27-2-93: The declassification had been verified. The differential loss on account of declassification would be got written off. The item was settled subject to verification of 271 bags by Audit.

30-3-93: The Department explained that sanction for declassification of gunny bags was available, moreover, an inquiry was being held to determine whether any malafide was involved in the declassification. The Committee directed that the action be finalised within three months. Moreover, inventory accounts may also be got verified by Audit. **The para was kept pending.**

35. Para 7.2.3(4): Pages 82-83 – Irregular Declassification of ‘A’ Class Gunny Bags to ‘D’ Class Without Sanction Rs.4,563,381**i) Binishell Vehari - 154,482 Bags**

27-2-93: 154,482 bags were declassified by Deputy Director, Food, Multan. As the relevant record pertaining to the declassification of bags had been verified, the item was settled.

ii) Burewala - 30,334 Bags

27-2-93: The Department stated that these bags had been declared as unserviceable by the Competent Authority. The declassification had been verified by Audit. The item was settled.

The Public Accounts Committee deferred the consideration of the remaining paras. It was directed that the Sub-Committee may first go into the details of the paras and give its views for speedy disposal of the paras pertaining to the declassification of bags involving embezzlement cases of huge amounts. The Sub-Committee would consist of the following members:-

- | | |
|--|----------|
| 1. Malik Ahmed Ali Aulakh, MPA | Convenor |
| 2. Malik Mukhtar Ahmed, MPA | Member |
| 3. Haji Ghulam Haider Khan Khichi, MPA | Member |
| 4. Raja Nasir Ali Khan, MPA | Member |

The Sub-Committee would convene its meeting to consider the paras pertaining to the Food Department at the earliest. The para was kept pending.

30-3-93: The Department explained that sanction for declassification of gunny bags was available, moreover an inquiry was being held to determine whether any malafide was involved in the declassification. The Committee directed that the action be finalised within three months. Moreover, inventory accounts may also be got verified by Audit. **The para was kept pending.**

36. Para 7.2.3(5): Pages 82-83 – Irregular Declassification of ‘A’ Class Gunny Bags into ‘D’ Class Without Sanction of the Competent Authority Rs.58,900

30-3-93: As the record had been verified by Audit, the **para was settled.**

37. Para 7.2.4: Page 83 – Acknowledgement of ‘A’ Class Bardana As ‘B’ Class Rs.353,262

30-3-93: As the record had been verified by Audit, **the para was settled.**

38. Para 7.2.5(1): Pages 83-84 – Less Accountal of Gunny Bags Rs.24,032

30-3-93: The accountal had been verified by Audit. **The para was settled.**

39. Para 7.2.5(2): Pages 83-84 – Less Accountal of Gunny Bags Rs.182,920

30-3-93: This para is a repetition of Draft para No. 5.2.10 of 1984-85. Repetition having been verified by Audit, the **para was deleted** from here.

40. Para 7.2.5(3): Pages 83-84 – Non-accountal of Gunny Bags Rs.162,760

i) 30-3-93: In case of Khanqah Muhammad Pannah Centre involving 944 bags, the recovery had been effected and verified. The item was settled.

ii) 30-3-93: Recovery relating to 621 bags having been verified by Audit, the item was settled.

iii) 30-3-93: Recovery pertaining to 501 bags Khanqah Muhammad Pannah Center was still pending with the District Collector, Bahawalpur, therefore, the item was kept pending.

The Department was directed to compile district-wise statements of pending recoveries as arrears of land revenue within fifteen days, so that the matter may be taken up with the Home Department for expeditious recovery.

iv) 3500 ‘A’ Class Bags

30-3-93: The accountal having been verified by Audit, the item was settled.

v) 415 Bags

30-3-93: It was stated that 415 bags had been over issued to Aziz Flour Mills, Bahawalpur accountal of which had now been verified.

vi) Mubarakpur Centre - 2327 Bags

30-3-93: The accountal having been verified by Audit, the item was settled. **The para was kept pending.**

41. Para 7.2.5(4): Pages 83-84 – Non/Less Accountal of Gunny Bags Rs.1,045,450

i) 30-3-93: It was stated by the Department that Mr. Muhammad Akmal, FGI was found responsible for less accountal of gunny bags numbering 45,640. Recovery was imposed as arrears of land revenue. A criminal case had also got registered against him. As a result of disciplinary action in some other case he was dismissed from service. He was then reinstated.

The Department also explained that a case of inquiry as well as disciplinary action against him was still pending and it was expected to be finalized within one month.

The Committee observed that some drastic action was needed to be taken by the Department to recover the amount and directed the Administrative Secretary to pursue the

matter at personal level. The item was kept pending.

ii) Gulab Ali - 4,477 bags

30-3-93: It was stated by the Department that 1,131 bags had been recovered and verified. The item was settled subject to verification by Audit of further utilization of the recovered bags.

iii) Doshkha - 77 Bags

30-3-93: The recovery accountal having been verified by Audit, the item was settled.

iv) Metha Jhedu - 448 Bags

30-3-93: The accountal having been verified by Audit, the item was settled.

v) Metha Jhedu - 3163 Bags

30-3-93: Accountal having been verified by Audit, the item was settled.

vi) Amroka - 273 'A' Class and 30 'B' Class Bags

30-3-93: Accountal having been verified by Audit, the item was settled. **The para was kept pending.**

42. Para 7.2.5(5): Page 84 – Non-accountal of 5,155 Gunny Bags - Rs.79,922

i) Muhammad Garh - 1410 bags

30-3-93: The Department explained that besides registration of a police case, the concerned FGI, Muhammad Umar had been compulsorily retired and the amount will be recovered from his pensionary dues. The item was kept pending.

ii) Choti - 945 Bags

30-3-93: Item was kept pending for balance recovery.

iii) Choti - 258 Bags

30-3-93: Accountal being verified by Audit, the item was settled.

iv) SS. Din - 1,164 Bags

30-3-93: The item was kept pending for recovery.

v) Mana Ahmadani - 270 Bags

30-3-93: The Department stated that amount had been recovered. The item was settled.

vi) Shadan Lund - 800 and 248 bags

30-3-93: The item was kept pending for recovery. **The para was kept pending.**

43. Para 7.2.5(6): Page 84 – Non/Less Accountal of Gunny Bags, Misappropriation Rs.87,738

i) Kot Adu - 16 empty bags

31-3-93: Cost of 16 empty bags amounting to Rs.112 had since been recovered and verified by Audit. The item was settled.

ii) Chak Bodla - 1625 Bags

31-3-93: Audit Department concurred with the contention of the Department that, in fact, bags had not been received at this centre.

The Committee accepted this position and the item was settled.

iii) 3476 Bags

31-3-93: Out of 3,476 bags, 1,776 empty bags and cost of 1,700 bags amounting to

Rs.13,600 had since been recovered and verified by Audit. Accordingly this item was settled.

iv) 1150 Bags

31-3-93: As these bags were despatched to Sanawan Centre and in fact, was not a shortage. This fact has since been verified by Audit. The Committee settled this item. **The para was settled.**

44. Para 7.2.5(7): Page 84 – Non/Less Accountal of Gunny Bags Rs.8,120

31-3-93: Sehat Masih, F/G Supervisor was compulsorily retired from service on 16-5-1992 and his appeal was pending before the Punjab Service Tribunal. Next date of hearing was fixed for 18-5-1993.

The Committee directed the Administrative Secretary to recheck whether the responsibility/recovery had been fixed under E&D Rules and to submit his comments to the Committee. **The para was kept pending.**

45. Para 7.2.5(8): Page 84 – Less Accountal of Gunny Bags Rs.2,034,130

(i-iii) PR-I Multan - 2670 Bags

31-3-93: Actual bags were 2,120 which had already been accounted for and verified by Audit. Hence the Committee settled these items.

(iv-v) 30 Bags and 2,000 Bags

31-3-93: Responsibility and recovery for the loss amounting to Rs.40,600 had been fixed on 23-2-1993 on Muhammad Muzammal Khan, now dismissed from service. Recovery proceedings through land revenue are in process.

The Committee directed the Secretary to pursue this matter at personal level and these items were kept pending.

(vi) 50 Bags

31-3-93: Accountal of 50 bags having been verified by Audit, the item was settled.

(vii) 9,000 Bags

31-3-93: The Department stated that this item was included in Audit Report for 1984-85 However, Director General, Audit sought for more time from the Committee to re-verify the situation. The item was kept pending.

Public Accounts Committee observed that format of the gunny bags inventory register may be re-examined by the Department for improving it, in consultation with Audit.

(viii) Shujabad Centre - 23,530 Bags

31-3-93: The item was kept pending for fixing the responsibility and making the recovery.

(ix) PR Centre Jahania - 150 Bags

31-3-93: Under the World Food Programme issued 150 bags with wheat to DHO Multan vide SF-21 No. 33/280 dated 7-5-1984 had since been verified by Audit and the Committee settled this item.

(x) Kabirwala - 1 bale 2,223 Bags (2,523 Bags)**31-3-93:** The item was kept pending for recovery.**a (i) PR-II Multan - 4,000 A-Class Bags****31-3-93:** Audit reported that entry was shown in DR which was not reflected in the register.

The Committee directed Audit to re-verify the position along with part (vii). The item was kept pending. **The para was kept pending.**

At this stage the Committee observed that as the ensuing paras were more or less identical the Director General, Audit and Secretary Food's team may hold a meeting for re-verification of the position on draft paras kept pending in Public Accounts Committee meeting held on 30-3-1993 and the left-over agenda from item (ii) of DP No. 7.2.5.(8) onwards, the Finance Department may also be present in such meeting. The Department and Audit mutually agreed to hold such meetings on 18th, 19th and 20th July, 1993.

Annexure Paras

Working Papers not submitted

- 46. Para 35 (1972-73): Page 246 – Serial 20, Shortage of Wheat in Stores Rs.878,302**
- 47. Para 8(2) (1977-78): Page 246 – Serial 21, Shortage of Wheat Rs.11,595**
- 48. Para 8(9) (1977-78): Page 246 – Serial 22, Shortage of Wheat Rs.83,574**
- 49. Para 8(19) (1977-78): Page 246 – Serial 23, Shortage of Wheat Rs.37,187**
- 50. Para 5(4) (19978-79): Page 246 – Serial 24, Shortage of Store Rs.24,945**
- 51. Para 5(3) (19978-79): Page 246 – Serial 25, Shortage of Store Rs.101,697**
- 52. Para 11(1) (1979-80): Page 246 – Serial 26, Shortage of Wheat Rs.5,138**
- 53. Para 16(2) (1980-81): Page 146 – Serial 27, Misappropriation of Wheat Rs.75,410**
- 54. Para 37(1) (1982-83): Page 247 – Serial 28, Theft of Stores/Implements Rs.20,000**
- 55. Para 37(2) (1982-83): Page 247 – Serial 29, Theft of Stores/Implements Rs.9,900**
- 56. Para 42(2) (1982-83): Page 247 – Serial 30, Recovery of Rs.43,136**
- 57. Para 43 (1982-83): Page 247 – Serial 31, recovery of Rs.43,136**

Forestry, Fisheries, Wildlife and Tourism Department

Overview

Total Paras	Civil	Commercial
34	26	8

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Noted 4	The paras were noted as no further action was required either because they were of descriptive nature or contained Accounts and departmental financial reviews.	Commercial: 3(x), 64, 65, 66.	4	
Paras Finally Settled 21	Paras finally settled as the requisite action had been taken.	Civil: 8.1.1, 8.2.1(1), 8.2.1(2), 8.2.1(3), 8.2.1(4), 8.2.3(1), 8.2.3(2), 8.2.4, 8.2.5, 8.3.1, 8.3.2, 8.5.1, 8.6.2, 8.7.1, 8.7.2, 8.7.3, 8.8.1.	17	
		Annexure Paras: 1(12), 50.	2	
		Commercial: 60, 62.	2	
Paras Conditionally Settled 1	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Civil: 8.2.2(2).	1	
Paras Pended 8	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 8.2.2(1), 8.6.1.	2	
		Commercial: 61, 63.	2	
		Annexure Paras: 53(4), 133(4), 133(5), 49.	4	

Discussed on 28 November 1991, 29 July, 29 November 1992 and 23 May 2002.

(Civil Audit)

1. Para 8.1.1: Page 95 – Loss/Embezzlement Rs.137,819

28-11-91: Adjustment of the expenditure having been verified by Audit, the **para was settled.**

2. Para 8.2.1(1): Pages 95-96 – Shortage/Loss Rs.314,658

28-11-91: The verification having been done by Audit, the **para was settled.**

3. Para 8.2.1(2): Page 96 – Shortage of Rs.86,406

28-11-91: Accountal/consumption/disposal of items having been verified by Audit, the **para was settled.**

4. Para 8.2.1(3): Page 96 – Shortage of Store Rs.388,465

28-11-91: The recovery of the amount having been effected and verified by Audit, the **para was settled.**

5. Para 8.2.1(4): Page 96 – Shortage of Store Rs.28,818

28-11-91: Accountal of articles having been verified by Audit, the **para was settled.**

6. Para 8.2.2(1): Page 96 – Shortage of Material Rs.121,808

28-11-91: The Department was directed to effect recovery of the balance of Rs.57,948 expeditiously. The para was kept pending.

29-7-92: A further recovery of Rs.23,369 had been made since last meeting held on 28-11-1991, and verified by Audit reducing the balance to Rs.34,579. The Committee stressed on the recovery of the balance amount through personal efforts by the Administrative Secretary. **The para was kept pending.**

7. Para 8.2.2(2): Page 96 – Shortage of Material Rs.133,804

28-11-91: The Department explained that reconciliation/Accountal/Recovery of articles valuing Rs.127,470/80 had been verified by Audit, the remaining timber and firewood worth Rs.6,333 had been taken away by the Army during their Exercise. The Committee directed that this amount should be got written off by the Competent Authority. **The para was settled subject to write off** by the Competent Authority and its verification by Audit.

8. Para 8.2.3(1): Page 97 – Embezzlement of Stores Articles and Cash Rs.24,633

28-11-91: The entire amount having been reconciled with Audit, the **para was settled.**

9. Para 8.2.3(2): Page 97 – Embezzlement of Cash and Stores Rs.251,682

28-11-91: The verification having been done by Audit, the **para was settled.**

10. Para 8.2.4: Page 97-98 – Excess use of Furnace Oil Rs.396,921

28-11-91: Record having been verified by Audit, the **para was settled.**

11. Para 8.2.5: Page 98 – Loss Due to Higher Rate Rs.200,749

28-11-91: The relevant record having been verified by Audit, the **para was settled.**

12. Para 8.3.1: Page 98-99 – Excess Payment Rs.93,912

28-11-91: The Department was directed to prescribe certain standards or scales for grass-cutting, weeding, lawn-moving, hoeing, etc., for the public parks maintained by it. Subject to this observation, the **para was settled.**

13. Para 8.3.2: Page 99 – Excess Payment Rs.840,819

28-11-91: The matter had since been decided by the Supreme Court. The position had been verified by Audit. **The para was settled.**

14. Para 8.5.1: Page 99-100 – Blockade of Surplus Store Rs.1,409,464

28-11-91: The Department explained that store articles worth Rs.1,207,000 had been verified by Audit. Similarly adjustment of auction amount of one Van and two Motor Cycles worth Rs.44,140 had also been verified by Audit. The case for the disposal of the remaining surplus stores was in process. The Committee directed that the Department should dispose of these surplus stores without further delay. Subject to this direction, the **para was settled.**

15. Para 8.6.1: Page 100 – Excess Expenditure on Telephone Calls Beyond Competency Rs.46,059

28-11-91: The Committee directed that the amount of telephone calls above entitlement should either be got regularized by the Competent Authority or recovery effected from the Officer concerned. The para was kept pending.

29-7-92: Audit pointed out that the actual amount recoverable on account of excess calls from residential telephone, from Mr. Nazir Ahmed, Chief Conservator of Forests (Retired) worked out to Rs.70,904/62. The Officer had retired on 18-5-1988. The Forest Department had imposed a recovery of Rs.70,904/62 in the No Demand Certificate and letter had also been written to the AG Punjab for deduction of the same amount from the pension/gratuity of the Officer.

The Committee directed that the AG should ensure that the said letter and the said No. Demand Certificate had been received by Audit and should acknowledge the receipt of these documents in writing to the Forest Department. **The para was kept pending.**

16. Para 8.6.2: Page 100-101 – Payment of Bonus Made Without Entitlement Rs.162,941

28-11-91: The position having been verified by Audit, the **para was settled.**

17. Para 8.7.1: Page 101 – Purchase of Furnace Oil on Higher Rate Rs.141,846

28-11-91: The Department was directed to provide a Comparative Statement of rates of furnace oil for 1985-86 and 1987-88 and also produce the relevant record in the next meeting of the Public Accounts Committee. The Administrative Secretary was also directed to check the record of previous two years, and also the rates fixed by the Federal Government for that year. The para was kept pending.

29-7-92: Audit brought to the notice of the Committee that the Jallo Rosin Factory purchased furnace oil at higher rates during 1984-85 and 1985-86 than the rates charged during 1986-87. The Department submitted a Comparative Statement which was perused by the PAC. Explanation of the Department was accepted and the **para was settled.**

18. Para 8.7.2: Page 102 – Provision of Electricity on Less/Resulting Rs.66,428

28-11-91: Explanation of the Department was accepted and the **para was settled.**

19. Para 8.7.3: Page 102-103 – Wastage of Government Money Rs.159,040

28-11-91: Explanation of the Department was accepted and **the para was settled.**

20. Para 8.8.1: Page 103 – Non-recovery of Rs.2,225,000

28-11-91: Position having been verified by Audit, the **para was settled.**

Annexure Paras

21. Para Nos.1(12)(1963-64), 53(4)(1964-65), 133(4), 133(5)(1967-68), and 49(1982-83): Page 247 – Non-recovery of Balance Amount of Rs.528,177 and Rs.206,700 Less/ Shortage of Material of Rs.15,336 and Rs.3,298, Embezzlement of Rs.136,173

28-11-91: The above-mentioned **paras had already been settled** by the previous Public Accounts Committee.

22. Para 50(1982-83): Page 247 – Excess Expenditure of Rs.402,548

28-11-91: Verification having been done by Audit, the **para was settled.**

Working papers not submitted

23. Para 53(4) (1964-65): Page 247 – Serial 33, Balance Recovery of Rs.20,670

24. Para 133(4) (1967-68): Page 247 – Serial 34, Loss of Wood/coal Rs.15,336

25. Para 133(5) (1967-68): Page 247 – Serial 34, Loss of Wood/coal Rs.3,298

26. Para 49 (1972-73): Page 247 – Serial 35, Embezzlement Rs.136,173

(Commercial Audit)

Government Jallo Rosin and Turpentine Factory

1. Para 60: Page 115 – Working Results

29.11.92: It was explained to the Committee that the gross profit decreased due to market slump and the import of synthetic rosin. Decrease in not operating profit was mainly due to the provision of sales tax for the previous years. If that tax was excluded from the administration/general expenses then the general expense would be almost half. The explanation of the Department was accepted and the **para was settled.**

2. Para 61: Page 115 – Surplus Staff of Factory

29.11.92: The Department informed the Committee that the Government was informed about the surplus staff of eighteen members immediately after the closure of the factory but the said staff refused to join the Services, General and Administration Department Pool for

absorption and got stay order. The court also ordered that the surplus staff should be provided accommodation in the campus as enjoyed by them previously. The staff had also claimed certain benefits which amount to a huge sum and the court has asked them to reconsider their demands. The Finance Department pointed out that four and half years had gone but the Department could not get the stay vacated with the result that an amount of Rs.3,72,000 had to be paid as salary per annum and the total expenditure amounted to Rs.19 lacs for 4? years. The Administrative Secretary explained that the Government Pleader was least interested in the case and the private council demanded Rs.10,000 as fee for representing the case of the Department which it was not in a position to pay, as it had no allocation for this purpose.

The Committee directed that a summary should be submitted to the Chief Minister and the Chief Secretary for deciding the matter. Moreover, the Administrative Department should personally pursue the matter to get the stay vacated. **The para was kept pending.**

3. Para 62: Page 115 – Reconciliation of Revenue/Receipts

29.11.92: As the entire amount had been accounted for and reconciled with Audit, the para was settled.

4. Para 63: Page 116 – Wasteful Investment

29.11.92: It was explained that stores worth Rs.1,233,318 were yet to be disposed of. So far as turpentine oil was concerned, the auction had been advertised thrice but no tender was received for the same. The Department would advertise it again. The machinery was practically scrap and would be auctioned accordingly. The Department was directed to expedite action. **The para was kept pending.**

Health Department

Overview

Total Paras	Civil	Commercial
161	145	16

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Noted 12	The paras were noted as no further action was required either because they were of descriptive nature or contained Accounts and departmental financial reviews.	Commercial: 3(xi), 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81.	12	
Paras Finally Settled 95	Paras finally settled as the requisite action had been taken.	Civil: 10.1.2(1), 10.1.2(2), 10.1.2(3), 10.1.2(4), 10.1.2(5), 10.1.2(6), 10.1.2(7), 10.1.2(9), 10.1.2(10), 10.1.2(11), 10.1.2(12), 10.1.2(13), 10.1.3, 10.1.4, 10.1.6, 10.1.7, 10.1.8, 10.2.1(2), 10.2.1(3), 10.2.5(1), 10.2.5(2), 10.2.7(2), 10.2.7(3), 10.2.7(4), 10.2.2, 10.2.3, 10.2.4, 10.2.6, 10.2.8(1), 10.2.8(2), 10.2.9, 10.2.11, 10.2.12, 10.2.13, 10.2.14, 10.2.18, 10.2.19, 10.3.1, 10.3.2, 10.3.3, 10.3.4(1), 10.3.4(2), 10.5.1(1), 10.5.1(2), 10.5.1(3), 10.5.1(4), 10.5.1(5), 10.5.2, 10.5.3, 10.5.4, 10.5.5, 10.5.7, 10.6.2(8), 10.6.2(12), 10.6.3, 10.6.5, 10.6.6, 10.6.7, 10.6.8, 10.6.9, 10.6.10, 10.6.11, 10.6.12, 10.6.13, 10.6.15, 10.7.1, 10.7.2, 10.7.3, 10.8.1, 10.8.2, 10.8.3, 10.8.4, 10.8.5, 10.9.1, 10.10.1.	75	
		Performance Audit Paras: 2.1.1(3), 2.1.1(8), 2.1.2, 2.1.3, 2.1.4, 2.1.5, 2.1.6, 2.1.7, 2.2.1, 3.1, 3.2(1-4), 3.3, 4.1.1(2), 6.1, 7.3.4(2), 7.3.5(ii).	16	
		Commercial: 67, 68, 69, 70.	4	

Paras Conditionally Settled 5	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Civil: 10.1.(1), 10.2.1(1), 10.1.5, 10.6.4, 10.6.1(6).	5	
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Status	Decision	Para Nos.	Total	Page
Paras Pended 49	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 10.1.1(2), 10.1.2(8), 10.1.2, 10.2.1, 10.2.5, 10.2.7(1), 10.2.10, 10.2.15, 10.2.16, 10.2.17, 10.5.6, 10.6.1(1), 10.6.1(2), 10.6.2(1), 10.6.2(2), 10.6.2(3), 10.6.2(4), 10.6.1(5), 10.6.2(6), 10.6.2(7), 10.6.1(9), 10.6.2(11), 10.6.2(13), 10.6.2(14), 10.6.2(15), 10.6.2(16), 10.6.2(17), 10.6.14, 2.1.1, 2.3, 2.3(2), 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.2, 5, 7.1, 7.2, 7.3, 7.3.1, 7.3.2.	42	
		Annexure Paras: 140, 3, 4, 26, 52, 53, 40.	7	

Discussed on 13-19 February, 28-30 March, 30 July, 29 November 1992, 26 December 1994 and 23 May 2002.

(Civil Audit)

1. Para 10.1.1(1-2): Page 108 – Theft of Medicines/Plain Paper Copier Rs.807,580

19-2-92: The Department explained that the para related to the theft of a Plain Paper Copier worth Rs.50,000. The police had declared it untraceable. According to the Departmental Inquiry, the theft had occurred due to negligence of a Chowkidar and a Farash. The officials had since retired and their pension cases had been held up. But their pay/pension was so meager that they were not in a position to make up the loss. Hence the case had been referred to the Finance Department for write off.

Subject to write off by the Competent Authority and its verification by Audit, the item was settled.

1) Director Health Services Multan Rs.50,000

26-12-94: The Committee was informed that the case for write off of the loss had been referred to the Finance Department. **The para was settled subject to write off of the loss by the Competent Authority and its verification by Audit.**

2) Medical Superintendent District Headquarter Hospital Rahim Yar Khan Rs.757,580

19-2-92: The Department was directed to produce the record to Audit in support of its contention that the medicines were loaded in the concerned truck. Subject to write-off of the loss by the Finance Department and its verification by Audit, the item was settled.

26-12-94: It was stated by the Department that medicines booked with Ravi Transport were looted on gun point by armed dacoits. The Public Accounts Committee was of the view that this Transport/Forwarding Company Ravi Goods was responsible for the safe delivery of goods booked with it.

The Department was directed to make an effort to lodge a claim with the company for the recovery of cost of the goods. The Public Accounts Committee advised the Department to seek advice from the Finance Department in this matter. The Committee also directed that renewed efforts should be made to inquire into the actual facts of the case. The item was kept pending. **The para was Kept pending.**

2. Para 10.1.2(1-13): Page 108 – Non-deposit of Government Dues Rs.2,129,886

1) Syed Altaf Hussain Eye Hospital, Khanpur District Rahim Yar Khan Rs.9,015

19-2-92: The recovery had been verified by Audit, the **para was settled.**

2) Assistant District Health Officer, Chichawatni District Shahiwal Rs.15,274

19-2-92: Partial recovery out of the total amount had since been realized and efforts to recover the balance of Rs.2,978 were being made. Subject to recovery of the balance and its verification by Audit, the para was settled.

3) DHO Vehari Rs.27,486.

19-2-92: The recovery and deposit having since been verified by Audit, the **para was settled.**

4) HF Hospital, Rawalpindi

1) Rs.1,651,561

19-2-92: The Department explained that the hospital was provincialised on 1-11-1977 and self-generated funds were utilized for day to day expenditure. No embezzlement was detected but it was only an irregularity.

19-2-92: The representative of the Finance Department recommended settlement of this item. **The item was settled.**

2) Rs.6,812

19-2-92: The record having been verified by Audit, the item was settled. **The para was settled.**

5) Assistant DHO Faisalabad Rs.35,116

19-2-92: Partial recovery had been effected and action for the recovery of the balance amount was in progress. **The para was kept pending.**

6) DHQ Hospital Faisalabad Rs.9,035

19-2-92: The recovery having been verified by Audit, the **para was settled.**

7) Assistant DHO Ferozewala District Sheikhpura Rs.6,548

19-2-92: The recoverable amount was Rs.6,148 and not Rs.6,548. Recovery and

deposit of Rs.6,148 had since been verified by Audit, hence the **para was settled.**

8) MS DHQ Hospital Kasur Rs.50,001

19-2-92 :The Department was directed to hold an inquiry and recover the amount. **The para was kept pending.**

9) AIM Hospital Sialkot Rs.16,684

19-2-92: The para was settled subject to verification by Audit.

10) MS Mayo Hospital, Lahore Rs.231,238

19-2-92: The record having been verified by Audit, the **para was settled.**

11) Tehsil HQ Hospital Chunian District Kasur Rs.21,698 and Rs.12,340

19-2-92: Record/recovery having since been verified by Audit, the **para was settled.**

12) Aziz Bhatti Shaheed Hospital, Gujrat Rs.23,232

19-2-92: The Department stated that whole amount had since been recovered. **Subject to verification by Audit, the para was settled.**

13) District Health Officer, Bhakkar Rs.3,566

19-2-92: Recovery had been verified by Audit, hence the **para was settled.**

2) Assistant D.H.O. Chichawatni Rs.15,274

26-12-94: Deposit of Rs.2,978 verified by Audit and the **para was settled.**

5) Assistant District Health Officer, Faisalabad Rs.35,116

26-12-94: Deposit of Rs.35,116 verified by Audit, the **para was settled.**

8) District Headquarter Hospital, Kasur Rs.60,281

26-12-94: The Department explained that recovery of Rs.31,795 had been made and verified by Audit and the remaining recovery was in process. The Department was directed to expedite the recovery. **The para was kept pending.**

9) Allama Iqbal Memorial Hospital, Sialkot Rs.16.684

26-12-94: The amount of the item was reduced to Rs.13,032 from Rs.16,684. Recovery deposit of Rs.13,032 had been verified by Audit. **The item was settled.**

12) Aziz Bhatti Shaheed Hospital, Gujrat Rs.23,232

26-12-94: The whole amount had been recovered and got verified by Audit. **The para was settled.**

3. Para 10.1.3: Page 110 – Fraudulent Entry of Item of Furniture in Cash Memo Rs 11,260

19-2-92: The Department explained that the items had been accounted for and nothing was found short.

The Committee decided to **settle this para.** The Committee, however, directed that an inquiry be held and action be taken against the person responsible who caused confusion by adding an item of tempering.

4. Para 10.1.4: Page 110 – Non-deposit of Lease Money Rs.13,758

19-2-92: The Department had recovered Rs.4,452.70 and pleaded that the recovery of the

balance amount of Rs.9,305 as pointed out by Audit, was incorrect.

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

5. Para 10.1.5: Page 111 – Non-deposit/Less Deposit of Sale Proceeds of Prospectus Forms Rs.29,925

19-2-92: The Department stated that the amount had since been recovered and deposited into the Treasury. The para was settled subject to verification by Audit.

26-12-94: The Department stated that the recovery had been made, but its verification was till pending. **The para was settled subject to verification** of recovery by Audit.

6. Para 10.1.6: Page 111 – Non-deposit of POL/Ambulance Charges Rs.5,126

19-2-92: The recovery having since been verified by Audit, the **para was settled.**

7. Para 10.1.7: Page 112 – Non-deposit of Cost of X-Ray Films and Share of Government into Government Account Rs.6,720

19-2-92: The Department explained that out of 800 X-Ray films, 319 were used for poor and entitled patients, while the remaining 481 films were utilized on payment basis for which Rs.4,125 were deposited into the Treasury which had since been verified by Audit.

The above explanation was accepted by the Committee and the **para was settled.**

8. Para 10.1.8: Page 112 – Non-realization of Purchee Fee Rs.172,658

19-2-92: The position having been verified by Audit, the **para was settled.**

9. Para 10.2.1(1-3): Page 113 – Shortage of Stock Articles Rs.361,086

1) LW Hospital, Lahore Rs.75,045

19-2-92: The Department explained that the case for recovery was being pursued vigorously. The item was kept pending.

26-12-94: The Department explained that Mr. Pervaiz Akhtar Hussain, Ex-Store Keeper responsible for this shortage, was tried by the Court and was awarded imprisonment till rising of the Court and a fine of Rs.75,040 within one month. He was to undergo additional Rigorous Imprisonment for 3 months in fault of payment of funds. He failed to deposit the amount and underwent the prescribed imprisonment. This fact had been certified by the Superintendent, District Jail, Lahore vide certificate dated 11-11-1992. The Committee observed that the Administrative Department may move for the write off of the loss to the Finance Department.

The para was settled subject to write off of the loss by the Competent Authority and its verification by Audit.

2) SMO THQ Hospital, Sadiqabad Rs.8,389

26-12-94: The recovery had since been verified by Audit. Hence the **para was settled.**

3) DHQ Bhakkar Rs.277,652

26-12-94: The loss in transit of dry milk powder, vegetable oil and wheat was accepted by the Project Director, World Food Programme, Islamabad. It had been

verified by Audit. Hence the **para was settled.**

10. Para 10.2.2: Pages 113-114 – Pilferage of Equipment Rs.19,900

19-2-92: The Department explained that the eye instruments were available in stock. The record had since been verified by Audit, the **para was settled.**

11. Para 10.2.3: Page 114 – Loss Due to Non Carry Over of Balance of Medicine Rs.188,721

19-2-92: The record having since been verified by Audit, the **para was settled.**

12. Para 10.2.4: Pages 114-115 – Non-recovery of Government Dues/Overpayment/ Shortage Rs.87,419

19-2-92: The recovery/record having been verified by Audit, the **para was settled.**

13. Para 10.2.5(1-2): Page 115 – Non-accountal of POL Spare Parts and Other Stores Rs.283,688

1) HF Hospital, Rawalpindi Rs.240,749

19-2-92: The Committee directed that enquiry should be finalised expeditiously. The item was kept pending.

30-7-92: The Department explained that the inquiry into the matter had since been completed. According to the Inquiry Report, no Government loss was involved in this case and all the dietary items had been taken on stock and consumption shown. The Committee was informed that the sum of Rs.43,000, pertaining to medicines, had been verified by Audit.

The Committee directed that all the relevant record and the Inquiry Report should be produced to Audit. Subject to verification by Audit, the item was settled.

26-12-94: As the verification of record had been made by Audit. **The para was settled.**

2) District Health Officer, Bhakkar Rs.39,376 and Rs.3,563

26-12-94: Complete record with compliance having been verified by Audit, besides deposit of Rs.150/26, the **para was dropped.**

14. Para 10.2.6: Pages 115-116 – Shortage of Medicines Rs.224,165

19-2-92: Subject to write off by the Finance Department and its verification by Audit, the para was settled.

26-12-94: The Department explained that the sanction of write off of the amount involved had been obtained and got verified from Audit. **The para was settled.**

15. Para 10.2.7(1-4): Page 116 – Non-accountal of Store Rs.19,282,989

1) M.S. Services Hospital, Lahore Rs.69,83,503, Rs.45,44,603 and Rs.7,550,000

2) C.C. Medicine, Lahore

19-2-92: These items were kept pending for verification by Audit.

3) M.S. District HQ Hospital Kasur Rs.8,629

19-2-92: The record had since been verified by Audit, the para was settled.

4) Government Mental Hospital, Lahore Rs.52,899

19-2-92: The Committee directed the Department to finalise the inquiry, and make recovery. The item was kept pending.

1) Medical Superintendent, Services Hospital, Lahore Rs.69,83,503

26-12-94: Audit raised objection that the MSD issued different stores of the stated value to the hospital. They were neither accounted for in the stock registers nor the documents were produced to Audit for verification.

The Department explained that it made available necessary record to Audit and verification of which had been conducted by Musharaf and Mukhtar Habib, Audit Officers. As this para involved huge amount, the Public Accounts Committee was not satisfied with the explanation of the Department. It decided to refer the para to a Sub-Committee for thorough probe and scrutiny of records. The item was kept pending.

The Committee appointed the following Sub-Committee No.3 for this purpose, subject to approval by Mr. Speaker:-

1) Mr. S.A. Hameed, MPA	Convener	
2) Ch. Muhammad Iqbal, MPA	Member	
3) Mr. Khalid Pervaiz Virk, MPA	Member	
	(i) Services Hospital	Rs.4,544,608
	(ii) Services Hospital	Rs.7,550,000

26-12-94: Both these items were also referred to the Sub-Committee for detailed scrutiny. The para was kept pending.

2) College Of Community Medicines, Lahore Rs.132,277 and Rs.11,073

26-12-94: The record had been verified by Audit. The para was settled.

4) Government Mental Hospital, Lahore Rs.52,899

26-12-94: It was objected that the medicines issued from the stores were not properly recorded in stock registers and indent books of wards. It was stated by the Department that now the stock entries had been checked with the store record and no financial loss was detected. The clerical error had now been rectified. As the record had been verified by Audit the para was settled.

16. Para 10.2.8(1-2): Pages 166-17 – Fictitious Issue of Store Articles Rs.313,5611) ADHO Tehsil Chakwal Rs.10,500

19-2-92: Stock entries having since been verified by Audit, the para was settled.

2) DHO Bhakkar Rs.3,03,061

19-2-92: Stock entries and expense by various health centres had since been verified by Audit, the para was settled.

17. Para 10.2.9: Page 117 – Misappropriation Rs.57,985

19-2-92: The record having been verified by Audit, the **para was settled.**

18. Para 10.2.10: Pages 117-118 – Misappropriation of Rs.49,532

19-2-92: The recovery proceedings were still in progress. **The para was kept pending.**

District Headquarter Hospital, Kasur

26-12-94: The recovery/stock entries had been verified by Audit. The Committee observed that recovery was not sufficient in this case and directed that disciplinary action should also be taken against the employees responsible for this irregularity.

The para was kept pending.

19. Para 10.2.11: Page 118 – Misappropriation of Electricity Charges Rs.17,410

19-2-92: Total recovery had since been effected and deposited into the Treasury. The relevant record having been verified by Audit, the **para was settled.**

20. Para 10.2.12: Pages 118-119 – Misappropriation Due to Non-accountal of Cheques Rs.34,253

19-2-92: Payment schedules had been verified by Audit, and no misappropriation was detected. **The para was settled.**

21. Para 10.2.13: Page 119 – Embezzlement of Medicines Rs.18,564

19-2-92: The Department explained that expense book relating to medicine worth Rs.13,515 had since been verified by Audit. As regards the balance worth Rs.5,049, the Dispenser responsible for tempering with the indents had since been removed from service, and case for write-off of the amount had been initiated.

The para was settled, subject to write-off of the balance amount and its verification by Audit.

26-12-94: The Department explained that the expense book relating to the medicines worth Rs.13,515 had been verified and the balance amount of Rs.5,049 got written off. **The para was settled.**

22. Para 10.2.14: Page 119 – Misappropriation of Transportation Charges Rs.13,910

19-2-92: The relevant bills of transportation/loading and unloading had since been verified by Audit. **The para was settled.**

23. Para 10.2.15: Pages 119-120 – Doubtful Payment to Suppliers Rs.414,866

19-2-92: It was a case of non-production of record which was subsequently produced and verified by Audit. The Department requested for settlement of this para.

The Committee directed the Department to hold inquiry to find out as to why the record had not been produced and responsibility be fixed on the delinquents. The para was

kept pending.

26-12-94: The Department explained that as per previous directive of the Public Accounts Committee disciplinary action against the officials responsible was in process. The Department was directed to finalise the disciplinary action expeditiously. **The para was kept pending.**

24. Para 10.2.16: Page 120 – Un-necessary Purchase Rs.205,000

19-2-92: Since the Departmental Inquiry was still in progress, the para was kept pending.

30-7-92: The Department explained to the Committee that out of the total recovery of Rs.205,000, Dr. Amir Haider had deposited a sum of Rs.80,000 leaving a balance of Rs.125,000 with a promise to pay the balance amount in monthly installment of Rs.25,000 but he did not keep his promise and failed to pay the installment in February, 1992. The Department also informed the Committee that Dr. Amir Haider had promised to pay the total balance till 31-7-1992, but he did not keep his promise and failed to pay the instalment.

The Committee was not satisfied with the action taken by the Department because, in its opinion, all the Members of the Purchase Committee were equally responsible for the unnecessary purchase of Medicines. Therefore, it was decided that recovery should be effected from all the Members of the Purchase Committee on equal basis. Subject to recovery of the amount, as directed by the Public Accounts Committee, and its verification by Audit, the para was settled.

26-12-94: The Committee reiterated the previous Public Accounts Committee decision and further directed that this case of unnecessary purchase of medicines may be properly inquired and the indenter, purchaser and the supplier may be involved in the inquiry. **The para was kept pending.**

25. Para 10.2.17: Page 121 – Fraudulent Drawal of Government Money on the Purchase of Equipment Rs.1,052,000

19-2-92: The Department was directed that complete record of the purchase be got verified by Audit.

30-7-92: The Public Accounts Committee was not satisfied with the explanation of the Department. The Committee directed that the record regarding purchase of two Spectro Phalmeters (4010) may be provided to the Chairman, Public Accounts Committee-II for inquiry and further necessary action. The other parts of the para-2/part-II (A, B, C, G, H, I) were settled.

26-12-94: The item was referred to the Sub-Committee No.3 for detailed examination. **The para was kept pending.**

26. Para 10.2.18: Pages 122-23 – Purchase of the Ultra Sound SIM 4000-C Complete with Accessories Rs.155,000

19-2-92: The Department was directed that complete record of the purchase be got verified by Audit. The para was kept pending.

30-7-92: The Finance Department pointed out that for the purchase of 70 lac rupees no tenders had been floated but quotations had been obtained at personal level and not through

post. Audit was of the view that accessories were integral part of the apparatus, therefore, the purchase was not valid. The Department explained that the parts purchased were independent of the main items and were not built-in in the catalogue. Subject to verification by Audit, the para was settled.

26-12-94: Audit had verified that the accessories purchased were not included in the catalogue of the main machinery. **The para was settled.**

27. Para 10.2.19: Page 123 – Purchase of Blood Gas Analyser ABL-30 and its Accessories Rs.700,000

19-2-92: The Department was directed that complete record of the purchase be got verified by Audit. The para was kept pending.

30-7-92: Audit contended that the purchase of Rs.410,000 was not in order because accessories were integral part of the original apparatus. Also, there was no competition and the apparatus was not used for two years which showed that the purchase was made without requirement. The Department explained that the purchase had been made in order to save the amount from getting lapsed because at that time the building was not complete as it was being constructed in phased programmes. The Administrative Secretary assured the Committee that the articles were available and were also being used.

The Committee accepted the explanation of the Additional Secretary and **settled the para.**

28. Para 10.3.1: Pages 123-124 – Drawal of House Rent and Conveyance Allowance against the Rules Rs.276,720

19-2-92: The Department was directed to produce the relevant record for verification by Audit. The para was kept pending.

26-12-94: The Committee observed that the Department may deal with the matter according to factual and legal position of the case. **The para was settled** subject to the above observation of the Committee.

29. Para 10.3.2: Page 124 – Unauthorised Payment of House Rent and Non-practising Allowance Rs.86,145

19-2-92: Accepting the explanation of the Department, the item was transferred from the responsibility of Health Department to the Finance Department. **The para was settled.**

30. Para 10.3.3: Page 124 – Irregular Payment of Food and Cash Allowance Rs.159,213

19-2-92: The recovery had since been verified by Audit, the **para was settled.**

31. Para 10.3.4(1-2): Pages 124-25 – Unauthorised Drawal of Non-practising Allowance Rs.34,314

1) MS Aziz Bhatti Shaheed Hospital, Gujrat

19-2-92: The irregular payment of Rs.2,867/69 had been recovered and since

verified by Audit. **The para was settled.**

2) **MS DHQ Hospital, Kasur Rs.14,930**

19-2-92: The Department explained that out of total recovery, an amount of Rs.9,000 had been recovered and deposited into the Treasury and efforts were in progress for recovery of the balance. The item was settled subject to verification by Audit.

26-12-94: Recovery deposit had been verified by Audit. **The para was settled.**

32. Para 10.5.1(1-5): Pages 125-126 – Less Receipt of Medicines Equipments Rs.3,450,211

1) **DHQ Multan Rs.2,113,572**

19-2-92: The record having been verified by Audit, the **para was settled.**

2) **MS Mayo Hospital, Lahore Rs.56,500**

19-2-92: Stock entries had since been verified by Audit, the **para was dropped.**

3) **ADHO Hafizabad District Gujranwala Rs.11,137**

19-2-92: The record having been verified by Audit, the **para was settled.**

4) **Government Mental Hospital, Lahore Rs.1,229,540**

19-2-92: Stock entries had since been verified by Audit, the **para was settled.**

5) **Aziz Bhatti Shaheed Hospital, Gujrat Rs.39,462**

19-2-92: Stock entries having been verified by Audit, the **para was settled.**

33. Para 10.5.2: Pages 126 – Non-realization Admission of Bed Fee and Less Realization of Medical Charges Rs.51,031

19-2-92: The record having been verified by Audit, the para was settled.

28-3-92: The Department was directed to provide detail of cases in which admission fee was not realized, cases in which patients were allowed free treatment and cases in which bed fee was not realised along with the Authority under which fees/charges were waived off. The para was kept pending.

30-7-92: The para had already been settled by Public Accounts Committee-II on 19-2-1992. Minutes had been verified by Audit. **The para was settled.**

34. Para 10.5.3: Pages 126-27 – Loss of Store Articles Rs.9,836

19-2-92: Deposits/recoveries having since been verified by Audit, the **para was settled.**

35. Para 10.5.4: Pages 127 – Non-drawal of Profit on Term Deposit Rs.1,000,000

28-3-92: Record having since been verified by Audit, the **para was settled.**

36. Para 10-5-5: Pages 127-28 – Loss Due to Non Deduction of Discount in the Purchase

of Medicines Rs.21,802

28-3-92: As the fact had been verified by Audit that the medicines were purchased at the hospital rates approved by the Ministry of Health, the **para was settled.**

37. Para 10.5.6 Page 128 – Un-recovery Blockade of Government Money Rs.1,777,681

28-3-92: The Committee was not satisfied with the explanation tendered by the Department and directed that an in depth inquiry be held in the matter to establish the factual position in order to fix responsibility for the surplus purchases. The inquiry be completed within two months. The para was kept pending.

30-7-92: The Department informed the Committee that the result of inquiry is detailed as under:-

Articles worth	Rs.76,446 Utilized
-do-	Rs.588,000 Serviceable
-do-	Rs.2,120 Auctioned
-do-	Rs.127,000 Unserviceable
-do-	Rs.995,597 Slow-moving obsolete items.

30-7-92: It was also explained that responsibility had been fixed against one defaulter only because others had retired or expired.

The Committee directed that the serviceable articles should be utilized and the remaining loss should be got regularized by the Competent Authority. Subject to the above observation, the para was settled.

26-12-94: The para was kept pending, with the direction that action should be completed within three months.

38. Para 10.5.7: Page 128 – Loss on Account of Non-replacement of Expired Injections Rs.186,297

28-3-92: The Department was directed to hold an inquiry in order to ensure whether, at the time of purchase, the medicines were out-dated and if these medicines were out-dated whether replacement was obtained from the suppliers. Inquiry Report, along with relevant record, should be produced to the Public Accounts Committee. The para was kept pending.

30-7-92: Audit informed the Committee that the necessary entries in the stock register and gate pass had been verified. **The para was settled accordingly.**

39. Para 10.6.1(1-2): Page 129 – Purchase Medicines Without Quotations/ Tenders Rs.5,238,540**1. M.S. Civil Hospital Multan Rs.1,250,718**

28-3-92: The Department was directed to hold an enquiry to ascertain that contract for supply of medicine was granted from year to year basis after observing all the necessary formalities. The para was kept pending.

2. D.H.O. Okara Rs.3,987,822

28-3-92: The Committee directed that the Department should hold an inquiry to ascertain that proper procedure was observed in making the purchases and should indicate the name and tenure of the concerned DHOs. The item was kept pending.

- 1) **Civil Hospital, Multan Rs.1,250,718**
- 2) **District Headquarter Hospital, Okara Rs.3,987,822**

26-12-94: This para involved purchase of medicines worth Rs.52,38,540 in deviation of the prescribed purchase procedure. The following Sub-Committee No. 4 was appointed for detailed examination of the para subject to approval of Mr. Speaker:-

- | | |
|-----------------------------------|----------|
| 1) Mian Manazir Ali Ranjha, MPA | Convener |
| 2) Ch. Muhammad Riaz, MPA | Member |
| 3) Syed Akhtar Hussain Rizvi, MPA | Member |

The paras were kept pending.

40. Para 10.6.2(1-17): Pages 129-30 – Expenditure Beyond Competency Rs.26,780,554

28-3-92: The Department was directed to produce the relevant record to the Public Accounts Committee showing:-

- 1) that the stores were purchased after observance of codal provisions;
- 2) that the expenditure was not split to avoid sanction of the Competent Authority. The para was kept pending.

30-7-92: The Department assured the Committee that NAC (Non Availability Certificate) had been obtained from the MSD and proper publicity was given also.

Verification of record having been done by Audit, the para was settled.

26-12-94: This composite para was referred to the Sub-Committee No.4 for detailed examination. However, **items No. 8 and 12** relating to Secretary Health Department **were settled.**

41. Para 10.6.3: Page 131 – Loss Due to Violation of Contract Terms Rs.80,313

28-3-92: Subject to verification by Audit that the contract for the canteen was never given for Rs.285,000, previously, the para was settled.

26-12-94: The record and position had been verified by Audit. **The para was settled.**

42. Para 10.6.4: Page 131 – Undue Retention of Raw Material of Medicines Rs.539,459

28-3-92: Subject to verification of auction of the material and the write off of the difference, if any, the para was settled.

26-12-94: The Committee directed that the implementation of the previous directive of the Public Accounts Committee may be expedited. **The para was settled** subject to verification of the necessary action by Audit.

43. Para 10.6.5: Pages 131-32 – Irregular Refund of Late Delivery Fine Rs.73,590

28-3-92: Concurrence of the Finance Department for the refund of late delivery fine

having been verified by Audit, the **para was settled.**

44. Para 10.6.6: Page 132 – Shortage of Cash and Irregular Use of Receipts Rs.6,960

28-3-92: Explanation of the Department was accepted and the **para was settled.**

45. Para 10.6.7: Page 132 – Unauthorised Payment of Pension Contribution to Zilla Council Rs.202,528

28-3-92: Explanation of the Department was accepted and the **para was settled.**

46. Para 10.6.8: Page 133 – Loss on Account of Non-disposal of Empty Cartons Rs.70,795

28-3-92: Explanation of the Department was accepted and the **para was settled.**

47. Para 10.6.9: Page 133 – Loss Due to Free Clinical Check Up and Examination Rs.64,225

28-3-92: Explanation of the Department was accepted and the **para was settled.**

48. Para 10.6.10 Pages 133-34 – Unauthorised Payment to the Midwives Trainees Rs.203,093

28-3-92: Subject to regularization by the Competent Authority of the payments made to midwife trainees to the stated extent and its verification by Audit, the para was settled.

26-12-94: Audit had verified the regularisation of the payment of stipend to midwife trainees, the **para was settled.**

49. Para 10.6.11: Page 134 – Excess Expenditure on the Purchase of Mutton Rs.212,307

28-3-92: Record having since been verified by Audit, the **para was settled.**

50. Para 10.6.12: Pages 134-35 – Purchase of Equipment Without Requirement Rs.2,677,632

28-3-92: Audit informed the Committee that the record was being verified. The para was kept pending.

30-7-92: The Committee had given a firm commitment that the machinery was now under use. Verification could not be got done because the machinery was not installed at the time of Audit as it was pending for survey. **The para was settled.**

51. Para 10.6.13: Pages 135-36 – Purchase of Flame Photometers Without Requirement Rs.210,500

28-3-92: Audit informed the Committee that the record was being verified. The para was kept pending.

30-7-92: **The para was settled** as per recommendation of Audit.

52. Para 10.6.14: Page 136 – Purchase of Kits Without Requirement Rs.682,770

28-3-92: Audit informed the Committee that the record was being verified. The para was kept pending.

30-7-92: The Department explained to the Committee that Khawaja Ghyas, the new pathologist, had certified that some kits were fit for human consumption whereas for some others he would decide later on. The Committee directed that an inquiry into the matter should be conducted under the direct supervision of the Administrative Secretary and if there was any loss, responsibility should be fixed accordingly. The para was kept pending.

26-12-94: It was assured by the Administrative Secretary that action on the para would be completed within four months. The Committee advised the Department to produce relevant record to Audit for verification. **The para was kept pending.**

53. Para 10.6.15: Pages 136-37 – Un-necessary Purchase of Equipment from MSD Rs.650,560

28-3-92: Audit informed the Committee that the record was being verified. The para was kept pending.

30-7-92: The explanation of the Department to the objection of Audit was that the machinery could not be installed due to the incomplete building as it was being constructed under phased programme. The purchase was made simply to save the allocation as the financial year was ending. At present, it was being used in the laboratory. Verification having been done by Audit, the **para was settled.**

The Committee decided to Constitute a Sub-committee comprising the following for detailed examination of paras No. 10.6.1, 10.6.2, 10.6.12, 10.6.13, 10.6.14 and 10.6.15:-

- | | |
|--|----------|
| 1) Haji Ghulam Haider Khan Khichi, MPA | Convener |
| 2) Malik Iqbal Ahmad Khan Langrial, MPA | Member |
| 3) Malik Mukhtar Ahmad, MPA | Member |
| 4) Dr. Sajid, Assistant Director, Audit. | Member |
| 5) Mr. Riaz Sindhu, Audit Officer (PAC). | Member |

54. Para 10.7.1: Page 137 – Local Purchase of Medicines at Rates Higher than the Trade Rates Rs.11,687

28-3-92: Verification having since been done by Audit, the **para was settled.**

55. Para 10.7.2: Page 137 – Non-acceptance of Lower Bid for the Purchase Micro Bus Rs.56,400

28-3-92: Explanation of the Department was accepted and the **para was settled.**

56. Para 10.7.3: Page 138 – Purchase of Sub-standard Medicines Rs.4,618,500

28-3-92: The Department was directed to make a thorough probe into the matter to ascertain whether the medicines had been originally purchased against proper indents and also to reconcile the amount of the para with Audit. The para was kept pending.

30-7-92: Record having been verified by Audit, the **para was settled.**

57. Para 10.8.1: Page 138 – Loss Due to Less Deposit of Government Fee Rs.139,267

28-3-92: Record having been verified by Audit, the **para was settled.**

58. Para 10.8.2: Page 139 – Recovery of Late Delivery Fine Rs.14,746

28-3-92: The record having been verified by Audit, the **para was settled.**

59. Para 10.8.3: Page 139 – Non-deduction of House Rent from the Occupants of Government Accommodation Rs.27,066

28-3-92: Recovery of Rs.21,945 had been verified by Audit. For the remaining amount the contention of the Department was accepted. **The para was settled.**

60. Para 10.8.4: Pages 139-40 – Recoveries Due but not Effected Rs.127,910

28-3-92: Record/recovery having been verified by Audit, the **para was settled.**

61. Para 10.8.5: Pages 140-41 – Non-recovery of Sui Gas and Electricity Charges Rs.35,714

28-3-92: The Department was directed to effect the recovery of the balance of Rs.35,714 expeditiously. The para was kept pending.

26-12-94: The Department explained that the recovery had been effected and separate meters had been installed. **The para was settled.**

62. Para 10.9.1: Page 141 – Irregular Expenditure/Needless Expenditure of Rs.200,440

19-4-92: The para was referred to the Sub-Committee on Health for detailed examination.

30-7-92: **The para was settled** as per recommendation of the Sub-Committee of the Public Accounts Committee.

63. Para 10.10.1: Page 141 – Likely Misappropriation Due to Non-accountal of Expenditure Rs.20,662,180

19-4-92: The para was referred to the Sub-Committee on Health for detailed examination.

30-7-92: Relevant record having been verified by Audit, the **para was settled.**

Performance Audit Report

64. Para 2.1.1: Page 199 – Non-accountal of Machinery and Equipment Rs.3,751,423**1. Nishtar Hospital, Mulatan Rs.1,281,567**

The stock entries having been verified by Audit the item was settled.

2. Nishtar Hospital, Mulatan Rs.77,070,00

The item was settled as the stock entries had already been verified by Audit.

3. Services Hospital, Lahore Rs.1,421,541.00

The item was referred to the Sub Committee on Health for detailed examination.

4. District Headquarters Hospital, Faisalabad Rs.369,729.00

The item was settled as stock entries had been verified by Audit.

5. General Hospital Rawalpindi Rs.212,307.00

The Department was directed to produce in the next meeting, the whole record pertaining to this item, including the record of the purchase, Main Stock Register and Indents received from Wards etc.

6. District Health Officer, Rawalpindi Rs.366,954.00

The stock entries had been verified by Audit. The item was settled.

7. District H Q Hospital, Sargodha Rs.14,355.00

The item was settled as the record had been verified by Audit. **The para was kept pending.**

8. Punjab Medical College, Faisalabad Rs.7,750.00

The item was kept pending. The case lodged with the Anti Corruption Department may be pursued vigorously and progress intimated to the Committee. The case for write off might also be processed, simultaneously.

9. District Health Officer, Sagrodha. Rs.150

The item was settled as the recovery had been verified by Audit. **The para was kept pending.**

65. Para 2.1.1(3): Page 199 – Non-accountal of Machinery and Equipment Rs.1,421,541

30-7-92: Stock verification having been done by Audit, the para was settled.

66. Para 2.1.1(8) Page 199 – Machinery and Equipment Not Accounted for Valuing Rs.7,750**Punjab Medical College, Faisalabad – Rs.7,750**

26-12-94: As directed by the Public Accounts Committee the sanction to write off of the amount of Rs.7,750 had been obtained and got verified by Audit. **The para was settled.**

67. Para 2.1.2: Page 200 – Shifting of Machinery and Equipment Without Approval of Hospital Authorities Rs.719,313

19-4-92: The para was settled as the stock entries had been verified by Audit.

68. Para 2.1.3: Page 200 – Shifting of X-Ray Therapy Machine Rs.485,815

19-4-92: The record had been verified by Audit, the **para was settled.**

69. Para 2.1.4: Page 200 – Shadowless Operation Lamp and one Ultra Violate Lamp Rs.57,547 and Rs.11,857

19-4-92: As the record had since been verified by Audit, the **para was settled.**

70. Para 2.1.5: Page 200 – Non-accountal of Machinery Rs.941,720

19-4-92: As the record had been verified by Audit, the **para was settled.**

71. Para 2.1.6: Page 200 – Shortage/Loss Rs.545,121

19-4-92: As the entries made in the stock register had been verified by Audit, the **para was settled.**

72. Para 2.1.7: Page 200 – Non-accountal of Machinery Valuing Rs.249,912

19-4-92: The Department stated that neither the equipment was purchased nor any payment was made. The position had already been verified by Audit. **The para was settled.**

73. Para 2.2: Page 200 – Accounts not Correctly Balanced or Brought Forward Value Rs.101,275

1. Services Hospital Rs.7,626.00

19-4-92: The item was referred to Sub-committee already constituted to reconsider paras pertaining to services Hospital.

2. DHQ Hospital Sargodha Rs.12,725.00

19-4-92: Record verified by Audit, The item was settled.

3. RWP General Hospital Rs.80,924.00

19-4-92: The Department was directed to produce in the next meeting all the relevant record including purchase record and vouchers. **The para was kept pending.**

74. Para 2.2(1): Page 201 – Loss Balanced/Brought Forward Machinery and Equipment Rs.101,275

30-7-92: As the record had been rectified by the Department and verified by Audit, the **para was settled.**

75. Para 2.3: Page 201 – Shortage of Machinery and Equipment Value Rs.114,830

1. District Health Office, RWP – Rs.82,200.00

19-4-92: Total recovery and entries of store articles had been verified by Audit. The item was settled.

2. Rawalpindi General Hospital Rs.32,560.00

(i) Stock entries of machinery worth Rs.12,280 had been verified. This part was settled.

(ii) & (iii) Shortage of Machinery worth Rs.12,280 & Rs.8,000 still under investigation. the items were kept pending.

3. District Hq Hospital Faisalabad Rs.70

19-4-92: The item was settled, as the total recovery had been verified. **The para was kept pending.**

76. Para 2.3(2): Page 201 – Shortage of Machinery and Equipment Valuing Rs.32,560

Rawalpindi General Hospital, Rawalpindi

26-12-94: The Committee expressed its concern over the delay in taking necessary action by the Department in this case. The Committee directed that action for recovery and disciplinary action against the employees responsible for shortages may be expedited. Secondly, action should also be taken against the officer responsible for delayed action in this case. **The para was kept pending.**

77. Para 3.1: Page 201 – Machinery Lying Uncleared at Lahore Airport Valuing Rs.1,050,000

19-4-92: As the stock entry of machinery had been verified, the **para was settled.**

78. Para 3.2(1-4): Page 202 – Repair of Vehicles.

19-4-92: As the record had been verified by Audit, the **para was settled.**

79. Para 3.3: Pages 202-203 – Less Recovery of Ambulance Charges Rs.8,535

19-4-92: Recovery to the tune of Rs.8,535 had been effected and verified by Audit. **The para was settled.**

80. Para 4.1.1(2): Page 203 – Machinery Purchase Without Immediate Requirement Rs.6,807,955

30-7-92: The Department assured the Committee that the machinery/equipment had been issued to the Departments concerned and was in use. Explanation of the Department was accepted and the **para was settled.**

81. Para 4.1.2: Page 203 – Laundry Plant Valuing Rs.220,000 Purchased Lying Idle

26-12-94: The Administrative Department explained that funds for installation of separate connection for Sui Gas and Water for Laundry Plant had been received in November, 1994. Tenders had been floated with closing date as 10-1-1995. The installation will be completed in 3 months. The Department clarified that the value of Laundry Plant was Rs.45 lacs and not Rs.220,000 as mentioned in the draft para. The Committee observed how can the Department justify the inordinate delay in installation and commission of

Laundry Plant and wondered if the plant did not function after such a heavy expenditure, who will be responsible for this misplanning and wastage. The Administrative Department assured the Committee that the Laundry Plant will definitely function. The Committee allowed 3 months time for putting the plant into operation, otherwise the Department shall fix the responsibility for this wasteful expenditure. **The para was kept pending**

82. Para 6.1(6): Page 205 – Record not Produced to Audit for Verification

30-7-92: The Department was directed to produce the stock register to Audit for verification. Subject to verification by Audit, the **para was settled.**

83. Para 6.1: Page 205 – Record not Produced for Verification

4. District Headquarter Hospital, Sargodha.
5. DHO Faisalabad Rs.10,08,369
6. Services Hospital, Lahore.
7. MSD Lahore.
8. District Headquarter Hospital, Sargodha.
9. DHO Rawalpindi.

26-12-94: The necessary record pertaining to the above items of the para had been verified by Audit. These items were settled, subject to direction that the Administrative Department shall issue instructions to all its lower formations that record shall be produced at the time of Audit, otherwise Head of the Institutions will be held responsible for this lapse. **The para was settled.**

84. Para 7.3.4(2): Page 205 – Entries Made in Log Books But not Attested by the Concerned Officer

30-7-92: Log Books having been brought up-to-date and verified by Audit, the **para was settled.**

85. Para 7.3.5(ii) Pages 205-6 – Places Visited were not Shown in the Log Books of Vehicles of Services Hospital, Lahore

30-7-92: Log Books having been brought up-to-date and verified by Audit, the **para was settled.**

(Commercial Audit)

(Punjab Pharmacy Council, Lahore)

1. Paras 67 and 68: Page 125 – Working Results

29-11-92: It was explained to the Committee that the income of the Council had decreased during the year 1987-88 as compared to previous years due to the decrease in Examination Fee, Renewal Fee, profit on sale of books and higher rent of the building occupied by the Council. The Accountant General suggested that accounts should be maintained on accrual basis so that abrupt increase and decrease could be avoided. The Council explained that the present situation would not continue because the examinations would come to an end gradually. The Committee accepted the explanation of the

Department and both the **paras were settled.**

2. Para 69: Page 125 – Expenditure on Hired Building

29-11-92: Audit had suggested that the Council should be asked to purchase its own building in order to avoid extra expenditure. The Council explained that the main income was accrued to it from the fixed deposit of Rs.35 lac. In case this sum was incurred on the construction of a building, there would be no income and, resultantly, expenditure would increase. Therefore, the fixed deposit of Rs.35 lac was a secured income for the Council. The explanation of the Department was accepted and the **para was settled.**

3. Para 70: Page 125 – Non-maintenance of Accounts on accrual Basis

29-11-92: As per advice of Audit, the Department was directed by the Public Accounts Committee to maintain its accounts on accrual basis so as to show correct pictures of the accounts. **The para was settled.**

Annexure Paras

Working Papers not submitted

1. **Para 140 (1967-68): Page 248 – Serial 39, Irregular Purchase Rs.55,124**
2. **Para 3 (1973-74): Page 248 – Serial 40, Misappropriation Rs.13,973**
3. **Para 4 (1973-74): Page 248 – Serial 41, Shortage of Cash Rs.20,660**
4. **Para 26 (1980-81): Page 248 – Serial 42, House Rent Rs.60,474**
5. **Para 52 (1982-83): Page 248 – Serial 43, Misappropriation and Store Selling on Less Rates Rs.8,018**
6. **Para 53 (1982-83): Page 248 – Serial 44, Non-receipt of Income Tax Rs.169,040**
7. **Para 40 (1982-83) Page 248 – Serial 45, Misappropriation**

Home Department

Overview

Total Paras	Civil
22	22

Abstract

Status	Decision	Para Nos.	Total	Page
Paras Finally Settled 16	Paras finally settled as the requisite action had been taken.	Civil: 12.1.1, 12.2.1(1), 12.2.1(2), 12.2.1(3), 12.2.2, 12.2.3, 12.5.1, 12.5.2, 12.5.3, 12.6.1, 12.6.2(1), 12.6.2(2), 12.6.3, 12.6.4, 12.7.3, 12.8.1.	16	
Paras Pended 6	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 12.1.2, 12.1.3, 12.2.1(4), 12.7.1, 12.7.2.	5	
		Annexure Para: 7.	1	

Discussed on 29 March 1992.

(Civil Audit)

1. Para 12.1.1: Page 145 – Amount Drawn from the Treasury But not Deposited With the Bank Rs.51,208

29-3-92: The Department explained that the amount was drawn for payment of electricity bills on 17-4-86 and the bills were paid on 21-4-1986. As the acknowledgement of Revenue Officer Electricity WAPDA in lieu of payment of electricity bill had been verified by Audit, the **para was settled**. The Inspector General of Prisons was advised to give written instructions to his subordinate officers to ensure that no cash was retained by anybody unauthorisedly.

2. Para 12.1.2: Page 145 – Drawn Through Bogus Bills But not Taken into Account Rs.5,335,385

29-3-92: The Department stated that Mr. Muhammad Naem, Senior Clerk prepared bogus

TA Bills and succeeded to get them signed by the DDO. A criminal case had been registered against him which was under investigation with Anti-Corruption Department. The Department stated that an amount of Rs. 150,000 had been recovered and two houses of the culprit confiscated. The Department also assured disciplinary action against the DDOs concerned. The Committee decided that a detailed report on the facts of the case be submitted in the next meeting. **The para was kept pending.**

3. Para 12.1.3: Page 146 – Non-accountal of Amount from the District Accounts Officer Rs.195,945

29-3-92: The Department was directed to submit a detailed report on the facts of the case in the next meeting. **The para was kept pending.**

4. Para 12.2.1(1): Page 146 – Non-accountal of Store Articles Rs.83,753

29-3-92: Entries of articles in the Inventory Register had been verified by Audit, the **para was settled.**

5. Para 12.2.1(2): Page 146 – Non-accountal of Store Articles Rs.6,000

29-3-92: Recovery of Rs.6,000 had been verified by Audit. **The para was settled.**

6. Para 12.2.1(3): Page 146 – Non-accountal of Store Articles Rs.14,930

29-3-92: The recovery of Rs.2538/33 and accountal of the balance amount had been verified by Audit. **The para was settled.**

7. Para 12.2.1(4): Page 146 – Non-accountal of Store Articles Rs.24,681

29-3-92: Parts (a),(b) and (c) involving amounting of Rs.7,284.94, Rs.7,049.03 and Rs.7,158 respectively were kept pending for detailed inquiry and report. The Committee observed that the Department should withhold pensions of the defaulting Officers/Officials and should be released only after Audit para outstanding against them had been decided.

Parts (d) and (e) involving amounts of Rs.2,800 and Rs.389/80 respectively, having been verified by Audit and were settled. **The para was kept pending.**

8. Para 12.2.2: Page 147 – Articles Sent for Display at the Horse and Cattle Show But not Received Back Rs.18,924

29-3-92: The record pertaining to the sale proceeds and unsold items had been verified by Audit, the **para was settled.**

9. Para 12.2.3: Page 147 – Misappropriation of Government Cash Rs.7,918

29-3-92: Disbursement entries in cash book and vouchers verified by Audit, the **para was settled.**

10. Para 12.5.1: Page 148 – Purchase of Contract Items at Rates Higher Than Contract Rates Rs.21,150

29-3-92: Full recovery had been verified by Audit. **The para was settled.**

11. Para 12.5.2: Page 148 – Un-authenticated Use of Cartridges Rs.49,499

29-3-92: The record had been verified by Audit. **The para was settled.**

12. Para 12.5.3: Page 149 – Non-receipt of Jail Products Rs.180,076

29-3-92: Stock entries of blankets had been verified by Audit. **The para was settled.**

13. Para 12.6.1: Page 149-150 – Purchase of Cloth Without Observing Purchase Procedure Rs.21,237

29-3-92: The explanation of the Department about the observance of the purchase procedure was accepted and the **para was settled.**

14. Para 12.6.2(1): Page 150 – Non-adjustment of Sale Proceeds of Jail Products Rs.3,161,944

29-3-92: The Department informed the Committee that the entire cost of jail products valuing Rs.3,161,944 had been adjusted in the accounts of District Accounts Officer, Multan and verified by Audit. **The para was settled.**

15. Para 12.6.2(2): Page 150 – Non-adjustment of Sale Proceeds of Jail Products Rs.551,199

29-3-92: This amount had been included in DP No. 12.6.2 of 1987-88. The duplication had been verified by Audit. **The para was settled.**

16. Para 12.6.3: Page 150-151 – Non-recovery of Penalties to the Tune Rs.489,986

29-3-92: The Department stated that the amount had been recovered and adjusted from the bills of the firm. Record had been verified by Audit. **The para was settled.**

17. Para 12.6.4: Page 151 – Excess Payment Due to Non-calling of Open Tenders Rs.221,500

29-3-92: The Department explained that three Honda Cars were purchased with approval of the Chief Minister Punjab and concurrence of the Finance Department in relaxation of Rule 15.2 of the Punjab Financial Rules Vol. I. The record had been re-verified by Audit. **The para was settled.**

18. Para 12.7.1: Page 151 – Excess Payment Made to Suppliers Rs.39,091

29-3-92: Against an excess payment of Rs.39,091 on account of local purchase at the risk and cost of the contractor, an amount of Rs.21,964.10 had been recovered and verified by Audit. For the balance amount of Rs.13,925.70 the **para was kept pending**, for holding detailed inquiry into the facts of the case and report to the Committee by the next meeting.

19. Para 12.7.2: Page 152 –Purchase of POL and Grease on Excessive Rates Rs.13,949

29-3-92: The Department explained that an amount of Rs.7,204.00 on account of excessive charges of POL had been recovered and deposited into the Government Treasury which had been verified by Audit, the balance of Rs.6,732.00 cannot be recovered as grease was purchased in pounds instead of packets due to which variations took place. The Department was directed to hold an inquiry into the facts of the case so far as the balance amount was concerned. **The para was kept pending.**

20. Para 12.7.3: Page 152 – Loss Suffered Due to Purchase of Bodies of Motor Vehicles at Higher Rates Rs.31,000

29-3-92: The Department explained that it was due to different specifications of chassis that excess payment was made to various firms. The work was awarded by the Department after observing usual formalities and with the approval of the Finance Department. As the record had been verified by Audit, the **para was settled.**

21. Para 12.8.1: Page 153 –Payment of Custom Duty and Sales Tax in Violation of Rules Rs.1,370,955

29-3-92: The explanation of the Department was accepted and the **para was settled.**

Annexure Para

Working Papers not submitted

1. Para 7 (1978-79): Page 248 – Serial 46, Excess Expenditure on Residential Telephones Rs.140,620

Housing and Physical Planning Department Overview

Total Paras	Works
125	125

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Finally Settled 60	Paras finally settled as the requisite action had been taken.	Works: (PHE Department): I-1, I-2, I-4, I-5, I-6, I-8, II-2, II-6, III-2, III-3, III-4, IV-2.	12	
		(H &PP, Department): I-1, I-2, I-3, I-4, I-5, I-6, I-8, II-2.	8	
		(LDA): I-1, I-3, I-4(21), I-4(22), I-4(32), I-4(40), I-4(45), I-4(47), I-4(48), I-4(49), II-1(18), II-3(1), II-3(7), II-3(15), II-3(51), II-3(53), II-4(43), II-4(46), II-5(50), II-6(33), II-7(31), II-8(25), II-9(26), II-9(28), III-2(42), III-3(23), III-4, III-5(54), III-6(30).	29	
		LDA (WASA): I-1, II-1, II-2, II-3, III-1.	5	
		MDA: I-1, II-1, II-2, III-1.	4	
		FDA: I-1, I-3.	2	
Paras Conditionally Settled 14	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Works: (PHE Department): I-3, I-9, I-10, II-4, II-5, III-1, IV-3.	7	
		(H &PP, Department): I-7, I-9, I-10, II-1, II-3, III-1.	6	
		LDA (WASA): I-2.	1	
Paras Pended 51	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Works: (PHE Department): I-7, II-1, II-3, IV-1, IV-4.	5	
		Annexure Paras: 131(2), 17(a)2(ii), 10, 19(4), 19(2), 86, 74(3), 71, 136, 124(4), 12(4)(i), 119, 106(i), 70(4), 71(4), 72(2), 69(2), 72(4), 70(i), 106(4).	20	
		(H & PP Department): Performance Audit Report (LDA) Annexure Paras: 49, 64(4), 65(3), 63(i), 66(3), 64(5), 64(2), 64(i), 64(3), 83, 82(i), 81(2)(9), 81(2)(c), 81(2).	15	
		LDA: I-2, I-4(39), I-4(41), II-2(5), II-9(34), III-1(11).	6	
		FDA: I-2, I-4, I-5, I-6, II-1.	5	

**Discussed On 17 March, 19, 28-29 April, 29 December 1992, 16-17 March,
18-19 April, 17 July, 18 November 1993, 17 May 1995 and 25 July 1996.**

Public Health Engineering Department

1. Para I-1: Page 89 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.42,486

28-4-92: The Department explained that the recovery of Rs.15,000 had been verified by Audit and the balance amount had also been recovered, which would be got verified by Audit. The Committee directed that recovery of the balance amount should be got verified by Audit. The Committee further directed that disciplinary action under the E & D Rules be taken against the Sub Divisional Officer and the Sub Engineer concerned.

17-3-93: As the recovery of Rs.42,783 had been verified and disciplinary action taken against Sub Divisional Officer and Sub Engineer, the **para was settled.**

2. Para I-2: Pages 89-90 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.37,109

28-4-92: The Department explained that Rs.27,257 had been recovered and the remaining amount of Rs.9,852 was not recoverable. Explanation of the Department was accepted and the **para was settled.**

3. Para I-3: Page 90 Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.25,900

28-4-92: The Committee was informed that the Town Committee concerned had promised to refund the amount of Rs.25,900. **The para was settled subject to recovery of the amount and its verification** by Audit.

4. Para I-4: Page 90 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.16,484

28-4-92: The recovery having been verified by Audit and the **para was settled.**

5. Para I-5: Pages 90-91 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.58,667

28-4-92: The Department was directed to produce the relevant record on 29.4.1992 to the Committee to show that the disputed deviation had been made under proper Authority. The para was reconsidered on 29.4.1992 and the Department was directed to get the record re-checked by Audit.

17-3-93: Audit stated that after verification it had been found that Technical Sanction had

been issued and the actual expenditure was within the administrative approval. Necessary record had been verified by Audit. **The para was settled.**

6. Para I-6: Page 91 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.33,483

28-4-92: Explanation of the Department on the technical issue involved was accepted and the **para was settled.**

7. Para I-7: Page 92 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.18,462

28-4-92: The Committee was not satisfied with the explanation of the Department. The measurement books were also checked. It was found that entries for the same work had been made in different measurement books on different dates. The Committee was also not satisfied with the explanation as to why the Technical Sanction was subsequently changed.

28-4-92: The Committee directed that recovery of Rs.8,855.68 should be effected and disciplinary action under E & D Rules should also be taken against the Officer who acted against the Technical Sanction. The para was kept pending till finalization of the action/recovery.

17-3-93: The Department stated that the recovery of Rs.8,855.62 had been effected and got verified by Audit and the disciplinary action was not yet complete.

17-3-93: The para was kept pending till the finalization of the case.

17-3-93: The Committee took serious view of the fact that the Department had not implemented its decision of the last meeting for taking disciplinary action against the Officer concerned. The Committee warned that such lapse should not be repeated in future.

8. Para I-8: Pages 92-93 – Overpayment Rs.41,929

17-3-92: Audit observed that the overpayment was made at high non-schedule rate, though the rate was available in the Composite Schedule of Rates 1979, and the same was provided in the estimate. The rate of cement concrete in collecting tank was provided in the Technical Sanction Estimate on Composite Schedule of Rates, 1979, the estimate was prepared and sanctioned keeping in view the site conditions, and in the best interest for proper execution of work. As such the sanction of Non Schedule Rates in lieu thereof bears no sound justification.

17-3-93: The Department explained that no doubt the rate was available in the Composite Schedule of Rates, 1979, and the same had been approved in the Technical Sanction Estimate by the Superintending Engineer, but it was done in the best interest of proper execution of work and to achieve good results. The Department further informed that the case had been referred to the Standing Rates Committee and its decision of which had not been communicated so far.

17-3-93: The Committee was not satisfied with the explanation of the Department, and observed that the same Superintending Engineer had initially approved the Technical Sanction and had later on changed the specifications, which was against the spirit of fair competition

amongst the tenders, and benefited the contractor at Government expense. The Committee directed that the overpayment of Rs.41,929 made to the contractor in this way, should be recovered from the concerned Superintending Engineer and the XEN in equal shares. The para was kept pending.

28-4-92: The petition No. 298-300/PHED/G dated 2.4.1992, from Ch. Muhammad Shafiq, Superintending Engineer, Public Health Engineering Department, Lahore, addressed to the Chairman, PAC No.II along others, regarding Draft Para No.1(8) for the year 1987-88, was presented before the Committee. The Committee directed that in future no letter/application or advance copy of any application be sent direct to the PAC. The Committee further directed that once a matter had been decided by the PAC, the same should not had re-opened through correspondence. The Administrative Secretary should convey these instructions to all concerned.

16-3-93: Audit explained that the PAC had ordered the recovery of Rs.41,929 from the SE and the XEN concerned. Both of the Officers contacted Audit and after reconciliation, the amount was reduced to Rs.9,808. The Committee directed that recovery should be effected. Subject to verification of recovery by Audit, the para was settled.

17-5-95: The record/recovery had been verified by Audit and the PAC **settled the para.**

9. Para I-9: Page 93 – Overpayment Rs.64,791

I. Overpayment of Rs.25,309

Item 3(b): Overpayment of Rs.6,529

17-3-92: The Department explained that the whole amount had since been recovered. The item was settled subject to verification of recovery and record by Audit.

Item 3(c): Overpayment of Rs.5,728

17-3-92: The Department explained that the amount had since been recovered through transfer entry. The item was settled subject to verification by Audit.

Item 3(d): Overpayment of Rs.3,750

17-3-92: The explanation of the Department was accepted and the item was settled.

Item 3(e): Overpayment of Rs.3,621

17-3-92: The amount had since been recovered. The item was settled subject to verification by Audit.

Item 3(f): Overpayment of Rs.1,515

17-3-92: (a), (b) and (c) the Committee accepted the contention of the Department and settled the items.

Item 3(g): 17-3-92: The recovery had since been verified by Audit, the item was settled.

Item 3(h), 3(i) 17-3-92: Full recovery having been verified by Audit, the items were settled.

II - Overpayment of Rs.39,482/ Made to the Contractor

17-3-92: The explanation of the Department was accepted and the para was settled.

16-3-93: After verification of recoveries/contention of the Department concerning various items, it was found that the balance of Rs.3,888 remained to be recovered. Subject to recovery of the balance amount and its verification by Audit, the para was settled.

17-5-95: The para was settled subject to verification of recovery of balance amount of Rs.3,888.

10. Para I-10: Page 93 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.23,000

17-3-92: The Committee was not satisfied with the explanation of the Department. The Committee decided to constitute a Sub-Committee comprising the following for detailed examination of the paras:-

- | | |
|---|----------|
| 1) Malik Ahmad Ali Aulak, MPA | Convener |
| 2) Raja Nasir Ali Khan, MPA | Member |
| 3) Haji Ghulam Haider Khan Khichi, MPA | Member |
| 4) Malik Iqbal Ahmad Khan Langrial, MPA | Member |

16-5-92: The Department explained that an inquiry had been held. No interpolation in the Tender Register had been found. The change had been made in the tender by the contractor before putting it into the tender box.

The Sub Committee directed the Department that the Executive Engineer who accepted the tender with objectionable over-writing be produced in the next meeting to explain and justify his action. The para was kept pending.

23-11-92: As directed by the Sub Committee in its previous meeting held on 16.5.1992, Mr. Muhammad Ali Meo, the then Executive engineer, PHE Division, Rahimyar Khan who accepted the disputed tender was present and heard by the Sub Committee. Audit pointed out that any cutting/over-writing in the tender document should have been certified by the XEN. The XEN admitted that such certificate had not been recorded due to omission and without any mala fide intention.

23-11-92: The Sub Committee did not doubt the bona fide of the XEN, but observed that due to this omission in recording the certificate the payment of Rs.22,896 to the contractor had become doubtful. The Sub-Committee decided that the amount of Rs.22,896 should be recovered and deposited in the Government treasury. The para was kept pending.

16-3-93: Audit pointed out that the Sub-Committee did not agree with the contention of the Department that the cutting was not signed by the concerned XEN and that this omission did not involve any mala fide intention. The Committee upheld the decision of the Sub-Committee and directed that recovery of Rs.22,896 should be effected. Subject to verification of recovery by Audit, the para was settled.

17-5-95: The Department explained that Rs.22,895.41 had been recovered. **The para was settled subject to verification.**

11. Para II-1: Pages 93-94 – Non-recovery of Government Dues from Contractor

Rs.37,600

28-4-94: The Department was directed to hold an inquiry in the light of the following points:-

- 1) What was the final bill of the second contractor?
- 2) Why no bill was prepared for the first contractor?
- 3) Comparative statement should be looked into whether the competition was fair or not?

The para was kept pending.

17-3-93: The para was kept pending for recovery of the balance amount.

12. Para II-2: Page 94 – Non-recovery of Government Dues from Contractor Rs.214,078

28-4-92: The Department was directed to supply the following information to Audit:-

- 1) Whether the cement was supplied to the contractor on the prevailing market rates or not?
- 2) What was the price of cement when it was purchased?
- 3) What was the market price when it was supplied to the contractor?

The para was kept pending.

17-3-93: It was explained before the Public Accounts Committee that due to acute shortage of cement in the country during 1977-78 and 1978-79 the Department itself arranged cement directly from a cement factory on market rates after adding carriage/storage charges. In compliance of the directive of the Public Accounts Committee, the recovery had been effected from the contractors. The recovery record had been verified by Audit. **The para was settled.**

13. Para II-3: Pages 94-95 – Non-recovery of Government Dues from Contractor Rs.207,956

28-4-92: The Committee directed that the Department should produce full details/ record in its meeting to be held on 29-4-1992. The Committee also desired to know as to who was responsible for the release of security against the rules.

29-4-1992: The Committee directed that the Executive Engineer concerned who had released the security be proceeded against under the E&D Rules and responsibility be fixed for recovery of the amount.

17-7-93: The Department explained that the Executive Engineer who released the security was removed from service on various charges including this para. He was later on reinstated by the Punjab Services Tribunal. The Department did not go in appeal to the Supreme Court, which it should have done. **The para was kept pending** for recovery which should be pursued vigorously.

14. Para II-4: Page 95 – Non-recovery of Government Dues from Contractor Rs.117,497

28-4-92: The Department was directed to supply the following information along with

relevant record to Audit:-

- 1) Total number of bricks;
- 2) Total number of arch bricks;
- 3) Total number of arch bricks minus bricks layed and payment made;
- 4) Number of balance bricks;
- 5) Record entry of bricks taken over;
- 6) Complete detail of the secured advance etc;

The Committee also directed that the balance recovery should be effected from the defaulting Officer and a detailed note submitted to Director General, Audit and Accounts (Works) for necessary action against the defaulting Divisional Accountant also. The para was kept pending.

17-3-93: It was observed that the secured advance had been consumed but was not accounted for. The Committee directed that the Officers responsible i.e. Sub Divisional Officer, Sub-Engineer and Accountant, may be dealt with under the Efficiency and Discipline Rules. The matter of recovery of interest will remain pending. The matter of bricks was settled subject to verification by Audit.

17-3-92: The para was settled subject to clearance of PW Advance and its verification by Audit.

15. Para II-5: Pages 95-96 – Non-recovery of Government Dues from Contractor Rs.40,108

16-3-93: The Department explained that, as per directive of the Public Accounts Committee, the amount had been cleared from the Misc. P W Advance. Subject to verification by Audit, the para was settled.

17-5-95: The para was settled subject to the verification by Audit.

17-3-92: The Administrative Department explained that the dewatering set had since been received back from the Union Council Khangah Sharif and was in working condition. The Committee agreed to the contention of the Department that only the depreciation charges amounting to Rs.6,000 should be recovered from the said Union Council instead of hire charges of Rs.24,000 as calculated by Audit. **The para was settled subject to recovery of the said amount and its verification by Audit.**

16. Para II-6: Page 96 – Non-recovery of Government Dues from Contractor Rs.24,000

16-3-93: Recovery of Rs.6,668 having been verified by Audit, the para was settled.

17. Para III-1: Page 96 – Loss to Government Rs.140,000

28-4-92: The Committee directed the Department to submit a detailed report in the next meeting, also covering the following points:-

- 1) When the turbine was purchased?
- 2) When it was shifted to new site?
- 3) What was the expenditure involved?
- 4) What was the market price of the turbine at the time of installation at the new site.
- 5) All the relevant details.

The para was kept pending.

17-3-93: The Committee directed that the departmental version/record may be got verified by Audit within one month positively. **The para was settled subject to verification by Audit.**

18. Para III-2 Pages 96-97 – Loss to Government Rs.47,423

28-4-92: The Committee directed that the Department should submit a brief and also to produce all relevant record on 29-4-1992 on the following lines:-

- 1) What was the administrative approval?
- 2) Who split it up?
- 3) What was the Technical Sanction?
- 4) When the tenders were called?
- 5) Comparative statement?
- 6) Subsequent changes?

On 29-4-1992, the Department had brought the relevant record, and was directed to get the record re-checked by Audit before the next meeting.

17-3-93: Audit explained that the total expenditure was within the permissible limits of the Technical Sanction irrespective of certain procedural deficiencies. **The para was settled.**

19. Para III-3: Page 97 – Loss to Government Rs.19,381

17-3-92: The Public Accounts Committee referred this para to its Sub-Committee for detailed examination.

16-5-92: The Department stated that there was provision for the work in question in the revised Technical Sanction. Audit pointed out that revised Technical Sanction had been issued after 18 years and the question was as to why the matter had been allowed to linger on for such a long period. Audit would like to verify the whole record.

16-5-92: The Sub-Committee decided that subject to verification of record by Audit, the para may be settled by the Public Accounts Committee II.

23-11-92: As directed by the Sub-Committee on 16.5.92, the relevant record was produced to Audit for verification. The representative of Audit stated that it had verified from the revised Technical Estimate and agreements that the RCC Blocks were got executed through another contractor as the work was not included in the scope of original contract, therefore, this item was got executed as an additional item not covered in the original agreement. The Sub-Committee decided to recommend this para to the PAC for the final settlement as no recovery was involved.

16-3-93: The Sub-Committee recommended in its meeting held on 23-11-1992 that the para be settled by the Public Accounts Committee as no recovery was involved. **The para was settled** accordingly.

20. Para III-4: Pages 97-98 – Infructuous Expenditure Rs.10,568

17-3-92: The explanation of the Department was accepted by the Committee and the **para**

was settled.

21. Para IV-1: Page 98 – Misappropriation of Stores/Material Rs.85,757

17-3-93: The para was kept pending for disciplinary action against the officials concerned under the Efficiency and Discipline Rules.

22. Para IV-2: Pages 98-99 – Misappropriation of Stores/Material Rs.98,975

17-3-92: The Public Accounts Committee referred this para to its Sub-Committee for detailed examination.

16-5-92: According to the Department, the machinery in question was available in the stores of the Department at Taunsa and there was no chance of misappropriation of such machinery, as suspected by Audit.

16-5-92: Subject to proper accountal and verification by Audit, the para was recommended for settlement by the Public Accounts Committee-II.

23-11-92: In the compliance of the directive of the PAC, the relevant record was produced to Audit. According to the Department, the machinery in question was available in stores of the Department at Taunsa and there was no chance of misappropriation. The Sub-Committee was satisfied with the comments given by the Department/Audit. The accountal of machinery had been verified from T&P Register/MB by Audit. The Sub-Committee recommended this para for settlement.

16-3-93: Audit informed the Committee that as per directive of the Sub-Committee, dated 16th May, 1992, accountal of the material/machinery had been verified from the T&P/MB. **The Committee settled the para.**

23. Para IV-3: Page 99 – Misappropriation of Stores/Material Worth Rs.47,616

17-3-92: This draft para consists of the following items:-

- 2 (f) Misappropriation of material worth Rs.9,031.00
- 2 (g) Misappropriation of pig lead and GI pipe costing Rs.8,470.00
- 2 (h) Misappropriation of material worth Rs.7,390.00
- 2 (i) Misappropriation of material worth Rs.6,418.00
- 2 (j) Misappropriation of tools and plant Rs.5,780.00
- 2 (k) Misappropriation of material worth Rs.5,434.00
- 2 (l) Misappropriation of material worth Rs.2,637.00
- 2 (m) Misappropriation of material worth Rs.1,477.00
- 2 (n) Misappropriation of material worth Rs.979.00

17-3-92: The Department explained that partial recovery had been made and in respect of the balance amount the old record was not traceable.

All the items were settled subject to write-off of the loss and its verification by Audit.

16-3-93: Subject to write off by the Competent Authority and its verification by Audit, the para was settled.

17-5-95: The Department was directed to get the write off sanction by the Competent Authority within a month. The para was kept pending.

25-7-96: The Department explained that material worth Rs.2,975 had since been accounted for and an amount of Rs.5,093 had been got written off. This position had also been verified by Audit. The write off case for the remaining loss of Rs.39,548 was under process.

17-3-92: The PAC settled the para subject to write off sanction of Rs.39,548 by the Competent Authority and verification of the same by Audit.

24. Para IV-4: Page 99 – Misappropriation of Stores/Material Rs.10,546

17-3-93: The para was kept pending for disciplinary action against the officials concerned under the Efficiency and Discipline Rules.

Annexure Paras

Working Papers not submitted

25. Para 131(2) (1965-66): Page 195 – Serial 1, P.H.E. Division, Rahim Yar Khan

26. Para 17(a02(ii) (1959-60): Page 195 – Serial 2, P.H.E. Division, Rahim Yar Khan

27. Para 10 (1974-75): Page 195 – Serial 3, P.H.E. Division, Bahawalpur

28. Para 19 (4) (1975-76): Page 195 – Serial 4, P.H.E. Division, Bahawalpur

29. Para 19(2) (1975-76): Page 195 – Serial 5, P.H.E. Division, Jhelum

30. Para 86 (1971-72): Page 195 – Serial 6, P.H.E. Division, Gujranwala

31. Para 74(3) (1971-72): Page 195 – Serial 7, P.H.E. Mechanical Division, Lahore

32. Para 71 (1971-72): Page 195 – Serial 8, P.H.E. Division-I, Faisalabad

33. Para 136 (1970-71): Page 195 – Serial 9, P.H.E. Division, Lahore

34. Para 124(4) (1970-71): Page 195 – Serial 10, P.H.E. Division, Lahore

35. Para 12(4)(i) (1978-79): Page 195 – Serial 11, P.H.E. Division, Lahore

36. Para 119 (1972-73): Page 195 – Serial 12, P.H.E. Division, Gujrat

37. Para 106(i) (1983-84): Page 196 – Serial 13, P.H.E. Division, Sialkot

38. Para 70(4) (1981-82): Page 196 – Serial 14, P.H.E. Division No.III, Rawalpindi

39. Para 71(4) (1981-82): Page 196 – Serial 15, P.H.E. Division No.II, Rawalpindi

40. Para 72(2) (1981-82): Page 196 – Serial 16, P.H.E. Division, Sialkot

41. Para 69(2) (1981-82): Page 196 – Serial 17, P.H.E. Division, Lahore

42. Para 72(4) (1981-82): Page 196 – Serial 18, P.H.E. Division, Lahore

43. Para 70(1) (1981-82): Page 196 – Serial 19, P.H.E. Division, Lahore

44. Para 106(4) (1983-84): Page 196 – Serial 20, P.H.E. Division, Rajanpur

Housing and Physical Planning Department

45. Para I-1: Page 101 – Excess Payment to Contractor and Loss Due to Execution of Defective Work Rs.49,000

29-4-92: The Committee directed that the Department should produce within one month the Authority of the Standing Rates Committee to support its contention failing which full recovery of excess payment of Rs.49,000 should be made from the Officer concerned, responsible for making the excess payment. The para was kept pending.

19-4-93: The Standing Rates Committee had concurred with the departmental contention that no excess payment was involved. In view of this position, the **para was settled.**

46. Para I-2: Page 101 – Excess Payment to Contractor and Loss Due to Execution of Defective Work Rs.42,330

29-4-92: The Department was allowed one month's time to get the record/ calculation verified by Audit. The para was kept pending.

19-4-93: Recovery of Rs.16,000 having been effected from the contractor and verified by Audit, the **para was settled.**

47. Para I-3: Page 102 – Excess Payment to Contractor and Loss Due to Execution of Defective Work Rs.34,992

29-4-92: The Department was directed to produce within one month complete record/ calculation to Audit for verification and reconciliation. The para was kept pending.

19-4-93: Recovery and adjustment had been verified by Audit and the **para was settled.**

48. Para I-4: Page 102 – Excess Payment to Contractor and Loss Due to Excess of Defective Work Rs.106,085

29-4-92: The Department was directed to produce record to Audit for verification, and especially to see whether sanction of the Executive Engineer was given before record entry of earth work was made. The para was kept pending.

19-4-93: The record had been verified by Audit. No excess payment was involved, the **para was settled.**

49. Para I-5: Pages 102-103 – Excess Payment to Contractor and Loss Due to Execution of Defective Work Rs.32,018

29-4-92: The Department explained that recovery of Rs.32,018 had since been made from the concerned contractor and there was no litigation on this matter. The Committee observed that TS, was issued by Director General (Housing). As against the TS, the Executive Engineer allowed lead from Texila instead of Sikhanwali. The Executive Engineer acted in violation of the rules. Moreover, if Audit had not pointed out this excess payment, nobody would have bothered to make up the loss. The Department was directed to initiate disciplinary action under E&D Rules against the concerned Executive Engineer who was responsible for this overpayment. The para was kept pending for report in the next meeting.

19-4-93: The Administrative Secretary informed the Committee that recovery from the contractor for Rs.32,018 had already been effected and no mala fide was involved. **The para was settled.**

50. Para 1-6: Page 103 – Excess Payment to Contractor and Loss Due to Execution of Defective Work Rs.20,900

29-4-92: The Department had moved the Deputy Commissioner, Lahore, for recovery of Rs.20,900 as arrears of land revenue. The Department was directed to pursue this matter vigorously. The para was kept pending.

19-4-93: The Department explained that the case related to the year 1977. The work involved was of re-surfacing and patch work. Inquiry was held against the Officer concerned in other cases and he had been compulsorily retired. Recovery of any amount from the said Officer or the contractor was impossible. The explanation was accepted and the **para was settled.**

51. Para I-7: Pages 103-104 – Excess Payment to Contractor and Loss Due to Execution of Defective Work Rs.77,100

29-4-92: The Public Accounts Committee concurred with the viewpoint of Audit and directed that the DDO concerned had violated the rules in allowing overpayment of Rs.77,100 to the contractor which should be recovered before the next meeting. The para was kept pending.

19-4-93: The Department concurred with Audit observation and stated that actual recovery amounting to Rs.23,486 had since been made from the contractor instead of Rs.77,100 through transfer entry. **The para was settled subject to verification** of recovery by Audit.

52. Para I-8: Page 104 – Excess Payment to Contractor and Loss Due to Execution of Defective Work Rs.61,970

29-4-92: The explanation of the Department showing that no overpayment was involved, was accepted by the Committee and the **para was settled.**

Constitution of Sub-Committee

29-4-92: At this juncture, the Public Accounts Committee No. II constituted the following Sub-Committee for detailed examination of the pending draft paras pertaining to the Housing,

Physical and Environmental Planning Department/ Authorities under its administrative control, including Lahore Development Authority, Multan Development Authority and Faisalabad Development Authority for the years 1985-86 and 1987-88.

- | | |
|---|----------|
| 1) Malik Iqbal Ahmad Khan Langrial, MPA | Convener |
| 2) Haji Ghulam Haider Khan Khichi, MPA | Member |
| 3) Malik Mukhtar Ahmad, MPA | Member |
| 4) Malik Ahmad Ali Aulakh, MPA | Member |
| 5) Raja Nasir Ali Khan, MPA | Member |

53. Para I-9: Pages 104-105 – Excess Payment to Contractor and Loss Due to Execution of Defective Work Rs.36,297

29-4-92: The para was settled subject to verification of record by Audit.

54. Para I-10: Page 105 – Excess Payment to Contractor and Loss Due to Execution of Defective Work Rs.30,400

29-4-92: The Department was directed to recover the excess payment of Rs.30,400

19-4-93: It was stated by the Department that extra difference of cost of bitumen had recently been effected and recovered from the contractor and no mala fide was involved in this case. **The para was settled subject to verification** of recovery by Audit.

55. Para II-1: Page 106 – Non-recovery of Government Dues Rs.77,600

29-4-92: The para was settled subject to verification of the log book by Audit.

56. Para II-2: Pages 106-107 – Non-recovery of Government Dues Rs.90,527

29-4-92: The Committee accepted the explanation of the Department and the **para was settled.**

57. Para II-3: Page 107 – Non-recovery of Government Dues Rs.94,900

29-4-92: The para was settled subject to verification of recovery and its credit to the correct head by Audit.

58. Para III-1: Page 107 – Loss to Government Rs.53,000

29-4-92: The Department explained that the bitumen, which had leaked out, had not been rendered unserviceable, but was being used. **The para was settled. subject to verification** of the position by Audit.

Lahore Development Authority UD-Wing, Lahore

59. Para I-1: Page 109 – Non-recovery of Government Dues from Contractor Rs.151,600

29-12-92: The Committee directed the Department to provide chronological brief which resulted into this draft para as the point at issue was unclear. The Department should also state whether defects in work were pointed out during the maintenance period provided in the contract? What was agreement? Whether tenders were called or not. The details of the Court Order be also given. The Director General, LDA was directed to submit a compliance report on the above points. The para was kept pending.

18-4-93: The Department explained that work was done departmentally during the maintenance period at the risk and cost of the contractor. Audit pointed out that the additional expenditure should have been recovered from the contractor. The Director General, LDA sought time to inquire into the matter whether Rs.60,000 had been recovered from the contractor or not. The para was kept pending.

25-7-96: The Department explained that an amount of Rs.61,095 had been recovered and got verified by Audit.

25-7-96: The explanation of the Department was accepted and the **para was settled.**

60. Para I-2: Page 109 – Non-recovery of Government Dues from Contractor Rs.127,360

29-12-92: The Committee directed the Department to hold inquiry into this matter and report its findings in the next meeting. The para was kept pending.

18-4-93: The Department explained that the security of the contractor was still lying with LDA. The Department sought time to inquire whether the Officer concerned acted mala fide. The para was kept pending.

25-7-96: The Department explained that security of the contractor, amounting to Rs.1,27,360 had been withheld but could not be adjusted due to Stay Order by the Court.

25-7-96: The PAC directed that the Department should pursue the Court Case vigorously. The Committee further observed that if the Court Case was decided on technical grounds, then inquiry should be initiated by the Department against the Officer concerned to determine the mala fide involved, if any. **The para was kept pending.**

61. Para I-3 Pages 109-110 – Non-recovery of Government Dues from Contractor Rs.64,267

29-12-92: It was reported that cost of material had since been recovered from the contractor. Subject to verification of record by Audit, the para was settled.

18-4-93: As the entire amount of the para had been effected and got verified, the **para was settled.**

62. Para 1-4(21): Page 110 – Non-recovery of Government Dues from Contractor Rs.1,913,495 out of Rs.3,984,940

29-12-92: Decline in income was attributed to breakdown of lift at Minar-e-Pakistan. The committee accepted the explanation and the **para was settled.**

63. Para I-4(22): Page 110 Non-recovery of Government Dues from Contractor Rs.43,950 out of Rs.3,984,940

29-12-92: The explanation of the Department was accepted and the **para was settled.**

64. Para I-4(32): Page 110 – Non-recovery of Government Dues from Contractor Rs.348,982 out of Rs.3,984,940

29-12-92: Recovery of Rs.24,662/50 under Para 1 had already been verified by Audit and the Department assured the Committee that recoveries under Para Nos 2 and 3 would be effected as and when completion certificates were received. In view of the above assurance, the **para was settled.**

65. Para 1-4(39): Page 110 – Non-recovery of Government Dues from Contractor Rs.213,189 out of Rs.3,984,940

18-4-93: The para was settled subject to recovery and its verification.

25-7-96: The Department informed the Committee that relevant record had been submitted to Audit for verification. The Department also informed the PAC that no recovery was due as the petrol pump was on Nazool Land.

The Committee directed Audit to visit the site of petrol pump and ascertain the factual position whether the petrol pump was installed on the land of LDA or on the Nazool Land belonging to private parties. **The para was kept pending.**

66. Para 1-4(40): Page 110 – Non-recovery of Government Dues from Contractor Rs.18,618 out of Rs.3,984,940

18-4-93: The Department explained that write off sanction had since been issued. **The para was settled.**

67. Para 1-4(41): Page 110 – Non-recovery of Government Dues from Contractor Rs.490,787 out of Rs.3,984,940

18-11-93: The Department explained that two amounts of Rs.388,000 and Rs.65,360 had been recovered and verified. The balance amount was disputed in Courts. The para was settled and Director General, Lahore Development

18-11-93: Authority, was directed to watch the interest of the Lahore Development Authority in the Courts.

25-7-96: The Department explained that Rs.453,360 (388,000+65,360) had already been recovered with a balance of Rs.37,427. The Department stated that now, the balance amount of Rs.37,427 had also been recovered.

25-7-96: The Department stated that the previous and the latest Audit comments did not reconcile. However, Audit clarified that its latest comments reflected the correct position.

25-7-96: The PAC directed that the Department should reconcile the record with Audit by 31st August, 1996 along with the verification of record pertaining to the recovery already effected. **The para was kept pending.**

68. Para 1-4(45): Page 110 – Non-recovery of Government Dues from Contractor Rs.18,859 out of Rs.3,984,940

29-12-92: The Department assured to effect recovery by the next meeting. The para was kept pending.

18-11-93: It had been pointed out by the Department that efforts had been made to take up the matter of recovery of Rs.18,859 with the Frontier Works Organization but in vain. The chances of recovery were being remote, the **para was settled.**

69. Para 1-4(47): Page 110 – Non-recovery of Government Dues from Contractor Rs.21,500 out of Rs.3,984,940

Recovery of Professional Tax had fully been recovered and verified by Audit. **The para was settled.**

70. Para 1-4(48): Page 110 – Non-recovery of Government Dues from Contractor Rs.646,249 out of Rs.3,984,940

29-12-92: Recovery of Rs.45,883 towards the cost of bitumen had since been recovered from the contractor's final bill and verified by Audit. The Department stated that cost of drums amounting to Rs.600,366 was included in the cost of bitumen. In view of the above position, the **para was settled.**

71. Para 1-4(49): Page 110 – Non-recovery of Government Dues from Contractor Rs.120,000 out of Rs.3,984,940

29-12-92: It was stated that the material was auctioned at Rs.154,000. Subject to verification of record by Audit, the para was settled.

18-11-93: As the recovery had been verified by Audit, the **para was settled.**

72. Para II-1(18): Page 111 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.83,927

29-12-92: The para was settled subject to verification of recovery of Rs.83,927.

The Department was also directed to hold inquiry, fix responsibility and initiate disciplinary action against persons responsible for this dereliction. Report should be submitted to Public Accounts Committee.

18-4-93: The amount had been recovered and verified. The Director General, LDA sought time to take disciplinary action against the Officer responsible for overpayment.

18-4-93: The para was settled and the Director General, Lahore Development Authority was directed to finalize the disciplinary action expeditiously.

25-7-96: The Department explained that recovery had been effected and got verified by Audit. The explanation of the Department was accepted and the **para was settled.**

73. Para II-2(5): Page 111 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.70,105

29-12-92: The Department was directed to hold inquiry and determine as to who had authorized this payment. The para was kept pending.

18-11-93: The Department explained that as per direction of the Public Accounts Committee, the inquiry was in process. The para was kept pending.

25-7-96: The Department explained that as a result of inquiry no irregularity had been found and payment made to the contractor was justified.

The PAC directed the Department to produce the record i.e. specification of work, schedule of rate and inquiry report to Audit for verification by 31-7-1996. **The para was kept pending.**

74. Para II-3(1): Page 111-112 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.18, 051 out of Rs.77,257

a) Rs.13,184

29-12-92: The Department contention was agreed to by Audit which was directed to verify the record. The item was kept pending.

b) Rs.4,867

29-12-92: It was stated that recovery had since been effected from the contractor. Subject to verification by Audit, this portion was settled.

29-12-92: At this stage Director General, LDA was directed by the Committee to convene a meeting of the engineers and issue fresh instructions stressing upon preparation of estimate and Technical Sanction before tenders are called to ensure fair competition and always prepare Comparative Statement of tenders and recording of entries daily in MBs.

18-11-93: The record had since been verified by Audit, the **para was settled.**

75. Para II-3(7): Pages 111-12 – Excess Payment to Contractor and Loss due to Defective Execution of Work Rs.11,402 and Rs.18,785 out of Rs.77,257

29-12-92: Full recovery was stated to have been effected. Subject to verification of record by Audit, the para was settled.

18-11-93: The entire amount of the para had been recovered. **The para was settled.**

76. Para II-3(15): Pages 111-12 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.11,402 out of Rs.77,257

29-12-92: Audit objected payment to contractor at non-schedule rates, while sanitary fittings were items of scheduled rates.

29-12-92: The Department's explanation was not considered adequate and the Committee directed that Executive Engineer and Superintending Engineer concerned should pay the difference of the cost. Subject to verification of recovery/record by Audit, the para was settled.

18-11-93: In view of the assurance given by the Department that the entire amount of the para would be recovered and would be got verified from Audit. The para was settled.

25-7-96: As the record pertaining to recovery had been verified by Audit, the **para was settled.**

77. Para II-3(51): Pages 111-112 – Excess Payment to Contractor and Loss Due to Defective Execution of Works Rs.18,719 out of Rs.77,257

1) 29-12-92: It was stated by the Department that recovery amounting to Rs.6,979 had since been effected from the contractor. Subject to verification of

record by Audit, the item was settled.

2) **29-12-92:** The Department assured the committee that recovery of Rs.6,679 will be effected from the contractor. The item was kept pending.

3) **29-12-92:** Regarding Rs.5,061, the Department was directed to re-check this matter. The item was kept pending.

18-11-93: The Department hoped to recover the entire amount of the para and would get the recoveries thus effected and verified from Audit. The para was settled subject to verification by Audit.

25-7-96: Full recovery having been effected by the Department and verified by Audit, the para was settled.

78. Para II-3(53): Pages 111-112 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.10,236 out of Rs.77,257

29-12-92: The clarification and explanation of the Department was accepted by the Committee and the para was accordingly settled subject to verification.

18-11-93: As the amount recovered had been verified, the para was settled.

79. Para II-4(43): Page 112 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.15,060 out of Rs.22,960

29-12-92: Full recovery of the amount had since been effected and verified by Audit, the para was settled.

80. Para II-4(46): Page 112 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.7,924 out of Rs.22,960

29-12-92: Full recovery having been made and verified by Audit, the para was settled.

81. Para II-5(50): Pages 112-113 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.25,426

29-12-92: Since excavation was the responsibility of the contractor. The para was kept pending for balance recovery of Rs.25,426.

18-11-93: The para had already been settled in the last meeting.

82. Para II-6(33): Page 113 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.57,244

29-12-92: Since the payment to the contractor had been made correctly and no recovery was called for, the para was settled.

83. Para II-7(31): Page 113 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.37,192

29-12-92: Since non-schedule rates were sanctioned by the Competent Authority which was not provided in the CSR.

Audit was satisfied with the above contention. **The para was settled.**

84. Para II-8(25): Pages 113-114 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.449,899

29-12-92: Since payment was made to state agency (PSO) and no mala fide was found. **The para was settled.**

85. Para II-9(26): Page 114 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.61,636 out of Rs.85,062

29-12-92: Full recovery had since been effected and verified by Audit. **The para was settled.**

86. Para II-9(28): Page 114 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.9,688 out of Rs.85,062

29-12-92: Though the recovery had since been effected, yet the Committee directed the Department to hold inquiry to ascertain whether the excess payment had been made deliberately or not. The para was kept pending.

18-11-93: The amount had already been recovered and verified. The explanation of the Department regarding disciplinary action was accepted and **the para was settled.**

87. Para II-9(34): Page 114 – Excess Payment to Contractor & Loss Due to Defective Execution of Work Rs.13,718

29-12-92: Though the recovery had since been effected, yet the Committee directed the Department to hold inquiry as to whether the excess payment had been made deliberately or not. The para was kept pending.

18-11-93: The recovery had since been effected. The para was settled. The Committee directed that Department may, however, take disciplinary action against the Officer responsible for overpayment.

25-7-96: The Department explained that as a result of inquiry no mala fide had been detected.

25-7-96: The Committee noticed the following contradictions in the inquiry report:-

1. If the payment had not been made with mala fide, then why the recovery had been effected.
2. What action had been taken against the person who made the overpayment.

25-7-96: The Department was further directed to produce a copy of the inquiry report to the PAC in its next meeting. The Inquiry Officer should also appear before the Committee. **The para was kept pending.**

88. Para III-1(11): Pages 114-115 – Loss to Government Rs.1,812,115

21-12-92: The building structures as well as the stores articles had been auctioned. Subject to verification of record by Audit, the para was settled.

18-11-93: The para was settled subject to verification by Audit.

25-7-96: The Department explained that the record had been produced to Audit for verification and the result was awaited. Audit however, apprised the PAC that no record had yet been produced for verification.

The PAC took notice of the mis-statement on the part of the Department and directed to get the requisite record verified by Audit upto 31-7-1996. **The para was kept pending.**

89. Para III-2(42): Page 115 – Loss to Government Rs.204,228

29-12-92: Subject to production of waiver certificate of surcharge issued by WAPDA and verification by Audit, the para was settled.

18-11-93: As the waiver certificate regarding surcharge issued by WAPDA for the amount of Rs.2,04,228 obtained and got verified from Audit. **The para was settled.**

90. Para III-3(23): Pages 115-116 – Loss to Government Rs.74,200

29-12-92: The explanation of the Department was accepted and the **para was accordingly settled.**

91. Para III-4: Page 116 – Loss to Government Rs.279,282

29-12-92: On demand the Comparative Statement could not be produced by the Department. The Director General was directed to examine this matter further. The para was kept pending.

18-4-93: The Department explained that the work was awarded to the second lowest because the first lowest contractor gave in writing that he was not willing to take work and was willing to forego his security. Moreover, under the delegation of power rules of the Lahore Development Authority, the Chief Engineer, Lahore Development Authority, was competent to do so and approval of Finance Department was not required. The explanation of the Department was accepted and the **para was settled.**

92. Para III-5(54): Pages 116-117 – Loss to Government Rs.41,600

29-12-92: Since no loss had accrued to the Department by hauling earth from Nasir Bagh to China Basti, **the para was settled.**

93. Para III-6(30): Page 117 – Loss to Government Rs.1,862,480

29-12-92: As the matter was lined with the Performance Audit Report on construction of Over Head Bridge at Data Nagar Level Crossing, Lahore, Chapter-II, page 185 of Audit Report for the year 1988-89, the above **para was deleted from here** and will also be considered along with the said Performance Audit Report.

Lahore Development Authority (WASA)

94. Para I-1: Pages 117-118 – Non-recovery of Government Dues from Contractor Rs.144,333

29-12-92: Actual recovery of Rs.11,700 had since been effected and verified by Audit, the para was settled.

95. Para I-2: Page 118 – Non-recovery of Government Dues from Contractor Rs.227.031

(1) **29-12-92:** The record was not updated for disconnected connections and consumers had their own water supply. Hence the amount continued to pile up. The consumers were all Governmental Institutions, therefore the WASA had incurred no financial loss. In view of this explanation, the para was settled.

(2) **29-12-92:** Occupants of Auqaf Properties were dislocated for construction of Data Darbar Mosque and their whereabouts were not known.

29-12-92: Subject to write off by Competent Authority and verification by Audit, the item was settled.

(3) **29-12-92:** Although recovery of Rs.11,658.08 had already been effected, yet gradual recoveries were being effected from the domestic consumers for balance amount of Rs.12,658/08. Subject to complete recoveries and verification by Audit, the item was settled.

18-4-93: The contention of the Department regarding recovery of Rs.185,262 had been accepted by Audit and the para had been reduced to Rs.41,769 out of which recovery of Rs.18,702 and write off of Rs.19,384 had been verified, leaving a balance of Rs.3,685. **The para was settled subject to recovery** and its verification by Audit.

96. Para II-1: Page 118 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.67,600

29-12-92: It was explained that procedural documentation had been completed before start of work. Hence, the para was settled.

97. Para II-2: Pages 118-119 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.683,795

29-12-92: The Committee accepted the explanation of the Department and the para was settled.

98. Para II-3: Pages 119-120 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.39,787

29-12-92: It was stated that increase in width of storm water drain was due to heavy load which was accordingly redesigned, therefore, the resulting increase was from 8’-6” to 9’-6”. Hence no excess payment was involved. Subject to verification of record by Audit, the para

was settled.

18-4-93: As the departmental contention stood covered in the revised design/drawings and variations got approved from P&D Directorate and MD WASA, the **para was finally settled** by the Public Accounts Committee No-II.

99. Para III-1: Pages 120-121 – Loss to Government Rs.172,174

29-12-92: The Committee accepted the explanation of the Department and the **para was settled.**

Multan Development Authority

100. Para I-1: Page 123 – Excess Payment to the Contractor and Loss Due to Execution of Defective Works Rs.195,546

19-12-92: An excess payment of Rs.195,546 was made to a contractor by allowing him full composite rate instead of labour rates only for the use of dismantled bricks. The Department explained that the wastage of 33 percent bricks had been accounted against which the contractor had to provide and lay new bricks and only 67 percent bricks were available in reusable condition as taken in the analysis. The composite rate of Rs.113.65 per hundred Sft for this item provided in the CSR-1979 applied for the work was justified. The Department explained that in fact more than 33 percent bricks had been provided and laid by the contractor at his own cost in lieu of the wastage. The explanation of the Department was accepted and the **para was settled.**

101. Para II-1: Page 123 – Non-recovery of Government Dues Rs.299,000

19-12-92: The Department committed that the balance recoverable amount of Rs.144,000 would be recovered. The para was settled subject to recovery and its verification.

17-4-93: The Department explained that nothing was recoverable as the structures, which were required to be demolished, had not been demolished. **The para was settled.**

102. Para II-2: Page 124 – Non-recovery of Government Dues Rs.156,576

19-12-92: The record pertaining to the consumption of 60.76 M.Tons bitumen had been verified by Audit. **The para was settled.**

103. Para III-1: Page 124 – Loss to Government Rs.407,186

19-12-92: Audit raised the objection that the work for resurfacing of Fatima Jinnah Road from Jinnah Chowk to Eidgah Chowk was first awarded to the Ist lowest bidder M/s Rehmat Ali for Rs.13,26,212 and then cancelled awarding the same work to the second lowest bidder M/s Lal Muhammad Khan for Rs.1,733,389 resulting in loss of Rs.4,07,186. The Administrative Department explained that the tender of the Ist lowest bidder M/s Rehmat Ali and company was found unsigned, but in the best interest of Multan Development Authority, the tender was considered and accepted. The contractor himself refused to under-take the work. The tender of the Second lowest bidder was thus considered and accepted by the Superintending Engineer, Multan Development Authority. The

Administrative Secretary stated that no irregularity had taken place and thus no loss sustained by the Multan Development Authority. As there was now no ambiguity in the matter and no mala fide involved, the Public Accounts Committee accepted the explanation of the Department and **the para was settled.**

Faisalabad Development Authority

104. Para I-1: Page 125 – Non-recovery of Government Dues Rs.209,245

19-12-92: It was pointed out by Audit that crew and hire charges of road rollers/ machinery and vehicles used by the contractors were not recovered resulting in loss to Government. The Administrative Department explained that the following amounts had been recovered:-

- (i) Rs.51,355
- (ii) Rs.27,260

19-12-92: The Public Accounts Committee directed the Department to fix responsibility on the official/Officers who were responsible for the misappropriation of Government money. The para was kept pending for the balance recoveries. Audit had pointed out that according to contract agreement when services were rendered and machinery was made available to a contractor, the rates would be charged from him. The Public Accounts Committee directed that the matter should be rechecked and report submitted in its next meeting, in detail. The para was kept pending.

1. Rs.1,25,575 Crew Charges

17-4-93: The Committee was informed that the amount was recoverable on account of crew charges. Previously, hire charges were approved by the Competent Authority on lump-sum basis therefore separate charges for crew were not justified. The item was settled.

2. 17-4-93: Recovery of Rs.29,772 had been effected and would be got verified by Audit.

3. 17-4-93: Recovery of Rs.330 was pending and would be effected. Subject to verification by Audit, the para was settled.

25-7-96: As full recovery had been effected by the Department and verified by Audit, the **para was settled.**

105. Para I-2: Page 125 – Non-recovery of Government Dues Rs.2,189,985

19-12-92: Amount of Rs.2,189,985 had not been recovered from various allottees on account of interest charges, unauthorized construction, fine and penalties regarding delay in completion of buildings within the stipulated period. the para was kept pending for reconciliation/verification of record. The date would be mutually fixed by the Department and Audit.

19-12-92: The following paras pertaining to the same subject were also kept pending for verification of record:-

Advance Para	(3)	Amount involved	Rs.	279,873
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-do-	(6)	-do-	Rs.	123,880.25
-do-	(7)	-do-	Rs.	40,458.15
-do-	(1)	-do-	Rs.	4,338.87
-do-	(11)	-do-	Rs.	13,720
-do-	(4)	-do-	Rs.	1,631,778

17-4-93: The para was kept pending for verification by Audit of the relevant record.

25-7-96: The Department explained that out of the total recoverable amount of Rs.2,189,984 and amount of Rs.38,820 (35,936 + 2,884) had been recovered. The balance amount of Rs.2,151,163 was not recoverable due to the following reasons:-

- (i) Allotments of plots costing Rs.159,994 had been cancelled.
- (ii) An amount of Rs.39,498 represented wrong calculation.
- (iii) An amount of Rs.1,691,778 being interest was not recoverable as allottees deposited their dues within the stipulated period.
- (iv) An amount of Rs.25,042 was deposited within the extended period.
- (v) The amount of Rs.221,131 was not recoverable due to the production of proof of the construction period as per decision of the Authority dated 20-6-1990.

25-7-96: The Department was directed to get the recovery, relevant record pertaining to recovery of Gain Tax in support of their contention and the cancellation order of plots costing Rs.159,944 verified by Audit before 15th August, 1996. **The para was kept pending.**

106. Para I-3: Pages 125-126 – Non-recovery of Government Dues Rs.63,849

19-12-92: The para was kept pending for disciplinary action by the Department for giving relaxation to the allottee, and recovery of the dues. Action taken against the person concerned should be intimated to the Committee.

17-4-93: The Department informed the Committee that the area allotted to the allottees was found to be correct. Complete payment, along with penalty charges, had been received from the allottees. Subject to verification by Audit, the para was settled.

25-7-96: The Committee was informed by Audit that the para had been reduced from Rs.63,849 to Rs.18,849 as a result of verification of record.

The Department explained that recoverable balance was Rs.11,757 and not Rs.18,849 as indicated by Audit. The said amount of Rs.11,757 had also been recovered.

The Director General, Faisalabad Development Authority was directed to verify about the recoverable balance himself and ascertain whether the same was Rs.11,757 or Rs.18,849 and record his findings in writing. With the above observation, the **para was settled.**

107. Para I-4: page 126 – Non-recovery of Government Dues Rs.792,510

19-12-92: The Public Accounts Committee directed the Department to hold an inquiry into the matter and submit report of the whole project to the Committee in its next meeting. The para was kept pending.

(i) A/Para 1(4) – Non Recovery of Mobilization Advance D.P.13 Rs.264,156**19-12-92:** The para was kept pending.**(ii) A/Para 1(4) – Non Recovery of Dismantled Material D.P.14 Rs.24,341****19-12-92:** The para was kept pending.**(iii) A/Para 1(4) – Non Recovery of Income Tax Rs.40,892****19-12-92:** The recovery of Income Tax had since been made from the contractors bills of M/s Shaukat and Riaz and Mian Enterprises. Since no recovery was due from them, the para was settled.**19-12-92:** It was explained by the Department that the amount of Rs.23,850 had been recovered and stood verified. The amount of interest on the advance could not be effected under the contract agreement. The amount of Rs.376,949 interest on the mobilization advance would be got written off. The para was kept pending.**17-4-93:** Audit informed the Committee that interest on mobilization advance had not been recovered. The Department stated that the inquiry was under process. The para was kept pending.**25-7-96:** Audit pointed out that mobilization of advance including interest on the cost of dismantled material and hire charges of machinery amounting to Rs.792,520 had not been recovered from the contractor.**25-7-96:** The Department explained that 10 % interest on mobilization advance had been exempted in a meeting headed by the Chief Minister.**25-7-96:** The Finance Department observed that waiver could not be given by any authority except by the Finance Department.**25-7-96:** The Committee directed that record pertaining to exemption of interest should be produced to Audit for verification before 15th August, 1996, and the Department should recover the balance amount. The Department was also directed that record with regard to the following six unprinted draft paras may also be got verified by Audit:-

Draft Para No. 12 for Rs.	23,850
Draft Para No. 29 for Rs.	376,949
Draft Para No. 17 for Rs.	62,322
Draft Para No. 13 for Rs.	264,156
Draft Para No. 14 for Rs.	24,341
Draft Para No. 15 for Rs.	40,892

The para was kept pending.**108. Para I-5: Pages 126-127 – Non-recovery of Government Dues Rs.57,827,070****19-12-92:** The para was kept pending for detailed scrutiny and verification of the outstanding development charges, by Audit. According to the contract agreement, the services were rendered and machinery was made available to a contractor and the rates

would be charged from him. The Public Accounts Committee directed that the matter should be rechecked and report submitted in next meeting, in detail. The para was kept pending.

17-4-93: The para was kept pending for verification of record by Audit.

25-7-96: The Department explained that the actual amount of the para comes to Rs.30,435,300 out of which an amount of Rs.17,515,157 had been recovered from the land-owners leaving a balance of Rs.12,920,143 which could not be recovered as the land-owners had gone to appeal in the Court.

25-7-96: The Committee directed that the Department should get the recovery of Rs.17,515,157 verified by Audit before 15th August, 1996 and should pursue the Court Case vigorously. **The para was kept pending.**

109. Para I-6: Page 127 – Non-recovery of Government Dues Rs.2,447,300

19-12-92: Recovery of Rs.1,768,303 had been made and got verified. For the balance recovery of Rs.678,997, the para was kept pending.

17-4-93: The para was kept pending for verification of record by Audit.

25-7-96: The Department explained that the amount of the para had been reduced to Rs.668,568 out of which an amount of Rs.116,345 had been recovered. The allotment of plots costing Rs.511,701 had been cancelled. The Department regretted that the amount of Rs.3,772 had been wrongly shown by lapse. As per latest position, the amount of Rs.631,750 had been cleared leaving a balance of Rs.36,750. The matter regarding recovery of Rs.36,750 pertaining to the plot of truck stand was sub judice.

25-7-96: The Committee directed that cancellation of plots, recovery of Rs.631,818 and wrong calculation of Rs.3,772 should be got verified by Audit by 15th August, 1996. The case in the court should be pursued vigorously. **The para was kept pending.**

110. Para II-1: Page 127 – Excess Payment to Contractor and Loss Due to Execution of Defective Work Rs.20,000

19-12-92: The para was referred to the Sub-Committee to look into the matter for authenticity of record and rates allowed in excess against the terms and condition, laid in Bid Schedule Agreements /Instructions. The para was kept pending.

25-7-96: The Department explained that out of the sum of Rs.20,000, an amount of Rs.15,000 had been recovered from the contractor leaving a balance of Rs.5,000 which would be recovered.

25-7-96: The Committee further directed the Department to pursue the balance recovery of Rs.5,000. **The para was kept pending** for recovery of Rs.5,000 and its verification by Audit.

Performance Audit Report

1st Lahore Urban Development Project , Lahore Housing, Physical & Environmental Planning

Department (L.D.A) (UD-Wing), Lahore

111. Performance Audit Report on Ist Lahore Urban Development Project Lahore (Chapter - II): Page 163

18-3-93: The Committee directed that the Department should thoroughly inquire into the matter and give a report to the Public Accounts Committee within two months. The names of the Officers concerned with the periods of their incumbency should also be given.

Multan Development Authority

23-1-93: It was stated by the Department that considerable progress had since been made in the Draft Paras fixed for today, but formal orders of the Chief Minister for de-novo inquiry were still awaited.

It was directed by the Sub-Committee that report of inquiry along with charge sheet be provided to Audit as well as the PAC Secretariat. However, these paras were deferred to 7-2-1993.

Public Health Engineering Department (South Zone)

112. Para 124(8),(14)(1985-86): Page 170 – Serial 20, Shortage of T&P Articles Rs.306,456

23-1-93: The Department explained that the Sub-Committee had directed to personally look into the matter to finalize the action and also to see that no one was unduly punished. In Compliance with the PAC directive, Mr. Rashid Ahmad Baig, Executive Engineer PHE Division. No. II D.G. Khan was appointed as Inquiry Officer to investigate the shortage. He had finalized the inquiry on 1-10-1990 and submitted his findings to Superintending Engineer, PHE Circle, D. G. Khan vide his letter No. 4085, dated 1-10-1990 wherein he had made decision as under:-

1. Mr. Karim Bakhsh Gurmani the dismissed Sub-Committee is responsible for shortage of Rs.160,373
2. After giving due consideration to the document presented by accused Sub-Engineer who was associated throughout this probe that material worth Rs.1,575 was handed over to Mr. Fiaz Ahmed, Sub-Engineer which had been consumed on the scheme.
3. Mr. Muhammad Hanif the then Sub-Engineer (deceased) was responsible for Rs.13,519
4. Further it had been verified by the Inquiry Officer that items of material worth Rs.5,568 had either been consumed at site or were perishable and therefore shortage was not justified.

23-1-93: In the light of above decision of the Inquiry Officer, shortage against Mr. Karim Bakhsh Gurmani, Sub-Engineer works out to Rs.1,60,373 instead of Rs.181,130.

23-1-93: It may be stated that out of the total amount of shortage of Rs.383,456 the

balance left after the verification by Audit was Rs.295,731 recoverable from Mr. Karim Bakhsh Gurmani, Sub-Engineer. This balance amount stands supported by the Inquiry Report submitted by Mr. Iqbal Ahmad Sabir, Executive Engineer (Inquiry Officer).

23-1-93: Mr. Karim Bakhsh Gurmani, Sub-Engineer filed an appeal before the Tribunal. The appeal was dismissed by the Tribunal by its judgement dated 13-1-1980 but the amount of recovery had been reduced to Rs.190,791 on the plea of benefit of doubt. He then preferred an appeal before the Supreme Court of Pakistan which was dismissed.

23-1-93: Therefore, he filed an Appeal before the Punjab Services Tribunal, Lahore. This Appeal was also dismissed. As would be seen from the orders of the Punjab Services Tribunal, the amount of Rs.190,791 was to be recovered from the Sub-Engineer. The Department, therefore, recommends that the amount to this extent may be recovered from Mr. Karim Bakhsh Gurmani Sub-Engineer as the Order of Supreme Court of Pakistan/ Punjab Services Tribunal, Lahore cannot be set-aside.

23-1-93: Sub-Engineer Mr. Karim Bakhsh Gurmani(dismissed), was present in the meeting and he was patiently heard by the Sub-Committee. He made the following submissions.

a. 7/65 to 2/69 was his tenure and transferred in 2/69 and at different occasions following recoveries were intimated to him:-

1. Rs. 16,254
2. Rs. 1,500 and
3. Rs. 369,589

b. In 1970 he was given show cause notice and charge sheeted.

c. In 1971 the Inquiry Officer fixed responsibility of Rs.295,000 in one sided inquiry.

d. In 1974 show cause notice was given which was replied.

e. In 1975 PAC expressed its concern over delay of this matter and the Department had assured its expeditious action.

f. In 1975 dismissed from service.

g. A case FIR No. 17/78 was got registered against him on 4-1-1978 which was discharged by the police for want of prosecution by the Department.

h. The same Chief Engineer who dismissed him was Member of the Tribunal rejected his appeal.

23-1-93: The Sub-Committee directed the Department to explain as to why it did not properly pursue the police case. Further the Department was directed to bring full record in the next meeting including the inquiry reports, decisions of the Services Tribunal, High Court and the Supreme Court, as mentioned in the departmental explanation.

16-3-93: The Committee observed that in view of the fact that the accused Sub-Engineer had already been punished through dismissal, the Department should pursue the matter with the Finance Department for the write off. The para was settled accordingly.

17-5-95: The Department explained that case for write off had been sent to Finance Department whose decision was awaited. The Public Accounts Committee directed that the cases of write off referred by Administrative Departments in accordance with minutes of

Public Accounts Committee, may be decided on merit, but within one month. **The para was kept pending.**

Note:- This Annexure para pertained to Audit Report for the year 1985-86, Page 170 read with Serial No. 20. The Department wrongly presented it before the PAC-II along with the Draft Paras for the year 1987-88.

Annexure Paras Working Papers not submitted

- 113. Para 49 (1972-73): Page 193 – Serial 1, H&P.P. Division, Sargodha**
- 114. Para 64(4) (1981-82): Page 193 – Serial 2, H&P.P. Division, Faisalabad**
- 115. Para 65(3) (1981-82): Page 193 – Serial 3, H&P.P. Division, Sheikhpura**
- 116. Para 63(i) (1981-82): Page 193 – Serial 4, H&P.P. Division, Faisalabad**
- 117. Para 66(3) (1981-82): Page 193 – Serial 5, H&P.P. Division, Faisalabad**
- 118. Para 64(5) (1981-82): Page 193 – Serial 6, H&P.P. Division, Rawalpindi**
- 119. Para 64(2) (1981-82): Page 193 – Serial 7, H&P.P. Division, Lahore**
- 120. Para 64(i) (1981-82): Page 193 – Serial 8, H&P.P. Division, Faisalabad**
- 121. Para 64(3) (1981-82): Page 193 – Serial 9, H&P.P. Division, Jhelum**
- 122. Para 83 (1982-83): Page 193 – Serial 10, H&P.P. Division, Lahore**
- 123. Para 82(i) (1982-83): Page 193 – Serial 11, H&P.P. Division, Sargodah**
- 124. Para 81(2)(9) (1982-83): Page 194 – Serial 12, H&P.P. Division, Sargodha**
- 125. Para 81(2)(c) (1982-83): Page 194 – Serial 13, H&P.P. Division, Sargodha**
- 126. Para 81(2) (1982-83): Page 194 – Serial 14, H&P.P. Division, Bhakkar**

Industries and Mineral Development Department

Overview

Total Paras	Civil	Commercial
77	11	66

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Noted 35	The paras were noted as no further action was required either because they were of descriptive nature or contained Accounts and departmental financial reviews.	Commercial: 3(xii-xvii), 3(xxi-xxiv), 87, 88, 89, 90, 91, 92, 97, 98, 99, 100, 101, 105, 106, 107, 108, 116, 125, 126, 127, 128, 129, 130, 131, 132, 133.	35	
Paras Finally Settled 21	Paras finally settled as the requisite action had been taken.	Civil: 14.5.1, 14.6.1, 14.7.1	3	
		Commercial: 3(xxv), 11, 85, 86, 93, 95, 96, 102, 109, 110, 111, 112, 113, 114, 118, 119, 120, 124.	18	
Paras Conditionally Settled 7	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Civil: 14.6.2, 14.7.2	2	
		Commercial: 94, 103, 104, 121, 122	5	
Paras Pended 14	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 14.1.10, 14.9.1	2	
		Annexure Paras: 44, 83, 8, 10	4	
		Commercial: 10, 12, 82, 83, 84, 115, 117, 123.	8	

**Discussed on 22 February, 18-19 July 1992, 30 November 1994,
22 March 1995 and 23 May 2002.**

(Civil Audit)

1. Para 14.5.1: Page 157 – Less Realization of Registration Fee Rs.44,800

22-2-92: The explanation of the Department about realisation of double fee was accepted and the **para was settled.**

2. Para 14.6.1: Pages 157-158 – Un-necessary Blockade of Government Capital Rs.47,321,580

22-2-92: The deposit had since been transferred from personal ledger account to Government Account, and verified by Audit. **The para was settled.**

3. Para 14.6.2: Page 158 – Un-necessary Purchase of Excessive Quantity of Coal Rs.18,534,250

22-2-92: **The para was settled subject to verification** by Audit of deposits on account of sale proceeds of coal/coke.

4. Para 14.7.1: Pages 158-159 – Loss of Rs.97,350

22-2-92: The Department explained that the Boiler Compound Powder purchased at the rate of Rs.6 per Kg in 12/87, as against Rs.18 in 2/85 and Rs.17 in 2/86, showed unsatisfactory performance during utilisation. However, the Officer responsible for purchase of sub-standard material had since died. Explanation of the Department was accepted and the **para was settled.**

5. Para 14.7.2: Page 159 – Irregular Use of Government Vehicles Rs.17,500

22-2-92: The Department was directed that the whole record concerning the vehicle in question be got verified by Audit. **The para was settled subject to verification** by Audit.

6. Para 14.9.1: Pages 159-160 – Non-supply of District - wise Detail Deposits Rs.689,527

22-2-92: The Committee directed that district-wise detail of the deposits, duly verified by DAGs, should be got verified by Audit. The Committee noticed that there was a general complaint from all the departments that the DAOs were not providing schedule of payments and deposits to the departments and, some times, this resulted in embezzlements. The Committee took a very serious view of the lack of interest shown by the DAOs towards the verification of Government deposits and directed the Finance Department, under whom the DAOs and TOs were functioning, to issue strict instructions to all DAOs and TOs to complete the verification in time otherwise strict action would be taken against them. Regarding non-cooperative attitude of the DAOs and TOs, the Department produced a copy of letter No. 87/5 dated 1.4.1989 from T.O. Lahore to the registrar of Firms, Lahore Division, Lahore, wherein the T.O. had expressed his inability to verify the deposits as the relevant record had since been destroyed. The Public Accounts Committee did not feel satisfied with the contents of the letter and directed that the T.O. should give the requisite verification to the Department.

22-2-92: The Department was directed to get the verification done in cooperation with the Finance Department. **The para was kept pending.**

(Commercial Audit)

Punjab Small Industries Corporation

1. Para 3(xxv): Page 6 – Non-compilation of Accounts

18-7-92: Audit confirmed that accounts of the Corporation for the year 1987-88 had since been submitted to Audit. The para was thus settled. However, the Committee directed the Department to ensure timely submission of accounts in future.

22-3-95: Audit stated that audited accounts of Punjab Mineral Development Corporation had been submitted. **The para was settled.**

Punjab Industrial Development Board

2. Para 10: Page 17 – Infructuous Expenditure on Repairs

18-7-92: Audit had pointed out that the work of repairs/water proofing of roofs of weaving and spinning sheds of Paris Textile Mills, Bahawalpur was awarded to a contractor for Rs.2.975 million without inviting tenders. This work was neither initiated by the Site Manager nor any urgency expressed. This was done at a time when the mill was running in heavy losses and against advises of the General Manager (Finance). The entire expenditure was incurred on the assumption that the weaving and spinning shed would be rented out to PASSCO at the rate of Rs.1.56 per Sq Ft which was neither utilized nor rented out.

18-7-92: The Department explained that the weaving shed was left incomplete in 1976 due to shortage of funds. Over the period it was damaged due to heavy rains and in 1983 consultants advised that rebursed treatment instead of bitumen coating was necessary to save the shed from leakage and to protect the huge investment of the Punjab Industrial Development Board. The material was imported by the Board from the USA and the work was executed on labour rate contract. The Department further explained that the Paris Textile Mills had since been sold out.

18-7-92: The Committee directed that the whole record relating to repair of the shed be got verified by Audit. Moreover, a comprehensive report in this respect be submitted to the Public Accounts Committee. The para was kept pending.

22-3-95: Since the case needs thorough investigation of the whole record pertaining to the repair of the shed the Public Accounts Committee referred this para to its Sub-Committee comprising Ch. Muhammad Riaz, MPA and Mr. Khalid Pervaiz Virk, MPA for scrutiny of record and report. The Department was directed to submit a comprehensive report to Audit within 15 days. **The para was kept pending.**

3. Para 11: Page 18 – Loss of Rs.1,69,142 Due to Purchase of Cotton at Higher Rates.

18-7-92: Audit had pointed out that on 19.9.1985 the cotton had been purchased @ Rs.475 per maund whereas the Karachi Cotton Exchange rate on that date was Rs.458 per maund. The Department explained that the Karachi Cotton Exchange rates were only suggestive rates and not the final rates. Actual rates are determined according to the conditions of supply and demand in the local market. On a query, the Department explained that the purchases were made not through inviting tenders, but by negotiations through the Purchase Committee and this was necessary if the Board was to compete with the private sector and to stay in business.

The Department explained that the price in question was less than the average rate for that season.

18-7-92: The explanation of the Department was accepted and the para was settled.

Punjab Small Industries Corporation

4. Para 12: Pages 18-19 – Incorrect Preparation of Accounts to Hide Rs.162 Million

18-7-92: Audit had pointed out that the grants-in-aid received by the Corporation from the Provincial Government were erroneously shown as income in its accounts, with the result that the corporation declared a profit of Rs.59.796 million for the period from the year 1979-80 to 1984-85 whereas it had actually incurred a net loss of Rs.162.039 million over the said period. The matter did not end here, the Corporation also paid an income tax of Rs.28.341 million on the erroneous profit shown by it. Audit had been persistently pointing out the incorrect compilation of accounts. The Corporation eventually hired the services of a firm of chartered accountants for re-casting their accounts for the year 1972-73 to 1983-84 at a cost of Rs.3,00,000. The Corporation also engaged an Income Tax Consultant to contest their case for refund of the income tax paid by it to the Income Tax Department and paid a fee of Rs.43,000 to the consultant.

18-7-92: The corporation could not offer a plausible explanation for not rectifying the error in its accounting system due to which the above-mentioned huge loss was suffered by it. It, however, explained that the chartered accountants and Income Tax Consultants had been engaged, and the fees paid to them with the approval of the board.

18-7-92: The Committee concurred with the view-point and observations of Audit and directed that the strenuous efforts should be made for the refund of the amount paid as income tax by the Corporation.

30-11-94: It was observed that due to incorrect accounting system of the Punjab Small Industries Corporation, Income Tax amounting to Rs.28.341 million had been levied on the profits shown by the Corporation in its accounts from 1979-80 to 1984-85 as the Corporation had been treating the grants-in-aid as its income. The Corporation eventually hired the services of Chartered Accountants for recasting their accounts for the year 1972-73 to 1983-84 at a cost of Rs.3 lac. The Corporation also engaged an Income Tax consultant to contest its case with the income Tax Department and paid to him a fee of Rs.43,300. The Administrative Department explained that the Small Industries Corporation had filed an appeal in the High Court against the levy of the Income Tax and stay had been issued in its favour. The Public Accounts Committee directed that the responsibility for incorrect accounting may be fixed and the latest position of High Court case may be explained in the next meeting. The para was kept pending.

22-3-95: As regards the latest position of income tax case, the Department explained that in view of Lahore High Court, order dated 22.1.1990 tax liability amounting to Rs.19,332,546 was reduced to nil.

22-3-95: The interest on Khas Deposit Accounts maintained with National Saving Center so exempted was again agitated by Income Tax Department. The Corporation filed a writ petition in which stay had been issued in favour of the Corporation and final decision was

pending. **The para was kept pending** till decision by the court.

Government Printing Press, Bahawalpur

5. Paras 82-84: Page 149 – Working Losses

19-07-92: Audit had pointed out that the press had been continuously sustaining losses from the years 1982-83 to 1986-87 and it had not submitted its accounts to Audit for the last four years, so that its working results could be assessed in the subsequent years.

19-07-92: The Manager Press explained that the accounts had since been prepared and were under verification and would be submitted to Audit within three months. However, the Manager had not brought the relevant record to substantiate his statement. He could not provide satisfactory explanation to the queries of the Committee about the working of the press and the facts and figures related thereto.

19-07-92: The Committee took a serious notice of the unpreparedness of the Department. The Committee directed the Department to submit a comprehensive report on the working of the press with detailed facts and figures and also to explain the delay in furnishing of the accounts to Audit. This report should be submitted to the Assembly Secretariat within two months.

19-07-92: The Committee referred this para for detailed examination to the Sub-Committee already constituted for the Health Department.

30-11-94: The Committee directed the Administrative Department to submit a comprehensive report on the working of the Government Press, Bahawalpur with detailed facts and figures and also to explain the delay in furnishing of the accounts to Audit. The para was referred for detailed examination to the Sub-Committee referred to above.

30-11-94: Draft Paras No. 83 and 84 were also referred to the Sub-Committee.

22-3-95: These paras had already been referred to a Sub-Committee and report was awaited. The Sub-Committee had scheduled its meeting for 9.4.1995. **The paras were kept pending.**

6. Para 85: Page 149 – Non-disposal of Text Books

30-11-94: The Department explained that the surplus stock had since been disposed off and the difference in cost amounting to Rs.10,712/42 had since been written off by the Competent Authority. The position had been verified by Audit. **The para was settled.**

7. Para 86: Page 149 – Maintenance of Accounts on Single Entry System

30-11-94: The previous Public Accounts Committee directive dated 30.12.89 regarding the maintenance of accounts on single entry system was being complied with. **The para was settled.**

Government Weaving and Finishing Centre, Shahdara Lahore

8. Para 93: Page 165 – Working Results of the Centre

19-7-92: As per accounts of the Center for the year 1986-87, the center sustained and operating loss of Rs.0.249 million, but when income from other sources was taken into consideration then there was a net profit of Rs.1.083 million. Audit pointed out that the accounts for the year 1987-88 and onwards had not been produced.

19-7-92: The Department explained that the accounts for the subsequent years had since been completed and would be submitted to Audit. Except for the year 1988-89 when the center sustained a gross loss of Rs.240,000 because raw material worth Rs.15.00 lac was destroyed by flood, the center had been showing a net profit. Its working expenses had, however, shown wide fluctuation specially on 1990-91 which was attributed to the imposition of electricity duty.

19-7-92: The Committee noted with concern that balance sheets for the years 1987-88, 1988-89, 1989-90 and 1990-91 had not been supplied to Audit. The Committee directed that these reports should immediately be provided to Audit and it in future, no laxity should be shown in submitting the annual accounts to Audit. With the above direction, the **para was settled.**

9. Para 94: Page 165 – Sundry Debtors

19-7-92: The Department reported that out of total outstanding amount of Rs.193,384, recovery of Rs.140,193 had since been effected, while the balance of Rs.53,191 was not recoverable. The Committee directed that the recovery should be got verified by Audit and the balance should either be recovered or got written off through the Finance Department. The para was kept pending.

30-11-94: The Department explained that this para was interlinked with Para No. 69 and 127. The present outstanding balance was Rs.53,000 inclusive of the amounts of Para No. 69 and 127. The Public Accounts Committee directed that efforts may be made for recovery within the province and in respect of the recoveries from outside the province, the Administrative Department may proceed for write off under the rules. The para was kept pending.

22-3-95: The Department explained that the case for write-off of Rs.14,946.34 pertaining to pre-one-unit had been sent to Finance Department, while there was no conclusive evidence on the record of the factory about the amount of Rs.8,960.82.

The para was settled subject to write off of Rs.14,946.34 by the Finance Department.

10. Para 95: Page 165 – Non-recovery of Outstanding Dues

19-7-92: Audit had pointed out that an amount of Rs.1,200 was recoverable from Central Excise and Land Customs.

19-7-92: The Committee directed the Department to get this amount written off, if not recoverable. The para was kept pending.

30-11-94: The amount of Rs.1,200 had since been recovered and verified by Audit. **The para was settled.**

11. Para 96: Page 165 – Non-recovery of Advance from Manager

19-7-92: The Department explained that the amount of Rs.289,732 was advanced to the Manager for payment of electricity and sui gas bills based upon actual figures to avoid disconnection and surcharge. This amount was not a cash transaction and drawn only through cheque for payment of actual bills.

19-7-92: The Committee accepted the explanation of the Department and the **para was settled.**

Government Wool Spinning Weaving and Development-cum-Training Centre, Jhang

12. Para 102: Page 177 – Working Results

19-7-92: It was reported by Audit that Jhang Government Wool Spinning Weaving and Development-Cum-Training Center was continuously running into losses. The Department explained that the woolen blankets manufactured by the center were of high quality and expensive and did not compete well with the cheap blankets produced by the private sector. The Department had lately felt the need for creating a marketing cell.

19-7-92: The Department further explained that the center was located in the heart of the city and was badly affected by the communal riots at Jhang and had to face frequent closures due to curfew and poor law and order situation.

19-7-92: The Committee advised the Department to make all out efforts to make this unit a self-sustaining concern. Moreover, the Secretary Industries should personally contact Secretary Health to pursue him to make hospital purchases of blankets from this factory. The Committee was, however not in favour of allowing a protected market to this factory. With the above directions, the **para was settled.**

13. Para 103: Page 178 – Non-justification of Depreciation

19-7-92: The Department explained that Draft Para had since been complied with. **The para was settled subject to verification** by Audit.

14. Para 104: Page 178 – Non-charging of Interest on Capital

19-7-92: The Department assured the Committee that the observations of Audit regarding charging of interest on capital would be duly complied with. **The para was settled subject to compliance** and its verification by Audit.

Pattoki Sugar Mills

15. Para 109: Page 191 – Working Results of the Mills

18-7-92: The Department explained that the over-all performance of the mills was appreciable as it earned net profit during the years 1987-88,1988-89 and 1990-91, except for the year 1989-90 when it suffered a loss of Rs.1.17 million which was due to bad sugar-cane crop. Its performance was well comparable with other sugar mills. Moreover the amount recoverable from the Food Department had also been recovered. In view of the explanation of the Department, the **para was settled.**

16. Para 110: Pages 191-192 – Amount Recoverable from the Cane Growers

18-7-92: The Department stated that the amount recoverable from the cane growers as on February 20, 1991 was Rs.1.750 million instead of Rs.5.529 million on 30.9.1987. It showed a good pace of recovery. **The para was settled.**

17. Para 111: Page 192 – Recovery of Advances from the Employees

18-7-92: The Department explained that the recoverable amount under this head had been recovered and the present balance was only Rs.14,600. **The para was settled.**

18. Para 112: Page 192 – Amount Recoverable from NCC

18-7-92: The Department explained that the adjustment of the amount of Rs.181,275 outstanding against the National Construction Company had since been made. The para was settled subject to verification by Audit.

30-11-94: The previous Public Accounts Committee in its meeting held on 18.7.1992 had settled the para subject to verification by Audit. Audit had verified the adjustment of the amount. **The para was settled.**

19. Para 113: Page 192 – Abnormal Inventory of Finished Product

18-7-92: Audit had pointed out that the inventory of the finished product as on 30.9.1987 was to the amount of Rs.77.086 million which was quite abnormal. The Department explained that as per sale agreement the disposal was made in October, 1987, which was necessary. **The para was settled.**

20. Para 114: Page 192 – Inventory of Stores and Spares

18-7-92: The closing balance of spares as on 30.9.1987 was to the extent of Rs.9,196,769. The Department explained that spare parts which involve longer procurement period were always kept in stores to avoid any break-down of mills during the peak season. Audit verified that this balance had decreased to Rs.678,312 on 30.9.1990. **The para was thus settled.**

Punjab Small Industries Corporation, Lahore

21. Para 117: Page 219 – Working Results

18-7-92: Audit had pointed out the loss of Rs.30.375 million sustained by the corporation during 1986-87 and had stressed the need for curtailing the administrative and general expenditure of the Corporation. The Department explained that as laid down in the preamble of the Punjab Small Industries Corporation Act, 1973, the Corporation had been established for promoting the development of industries in the Province, with particular reference to small and cottage industries. As such its activities were promotional and quasi commercial and are not profit- oriented. Thus its working results should be judged in this broader perspective.

18-7-92: The Committee was at a loss to understand, from where the losses of the Corporation are re-couped. The Committee directed the Department to furnish its accounts to the Public Accounts Committee for the year 1987-88, 1988-89, 1989-90 and 1990-91 incorporating therein the grants-in-aid received by it from the Provincial Government and the

Federal Government. Such accounts would be meant for the consumption of Public Accounts Committee only and not for any other purpose. The committee also emphasized that the Department should make efforts to minimize the losses and generate more income.

18-7-92: The Committee also directed Audit to make a complete survey of the working of the PSIC and suggest how its expenditure could be curtailed.

18-7-92: The Committee further directed that the re-constituted accounts of the PSIC should also be submitted to it. The para was kept pending.

30-11-94: The Committee directed that the previous Public Accounts Committee directive may be complied with in letter and spirit. Moreover, Center-wise accounts may also be produced to Audit. The para was kept pending.

22-3-95: The Department assured that the re-constituted accounts will be submitted to Audit after meeting of the board. The Public Accounts Committee directed that the same may be examined by Audit and Report submitted to PAC within one month. Further more, the details of administrative and general expenses be provided to Audit and the reasons for sudden rise in these expenses over the previous years may also be explained. **The para was kept pending.**

22. Para 118: Page 220 – Increase in Debtors

18-7-92: Audit had pointed out that the amount under “Debtors and other Receivable” had increased to an alarming extent.

18-7-92: The Department produced a statement showing division-wise recovery positions of loans under Rural Industrialization Programme and claimed that this recovery rate worked out to 80 % as against the national average of 21 %.

18-7-92: The Committee directed the Department to make efforts to recover the outstanding amount. With this direction the **para was settled.**

23. Para 119: Page 220 – Sundry Debtors

18-7-92: Audit had pointed out that the Sundry Debtors of the PSIC had increased to Rs.6.667 million by 30.6.1987 and major amounts related to the years 1961-62 to 1982-83. The Department explained that the latest balance as on 30.6.1992 was only Rs.18,54,000 which should be appreciable progress. The Committee directed the Department to provide year-wise analysis of Sundry Debtors to Audit. The para was kept pending.

30-11-94: The para was kept pending for providing center-wise detail to the Committee.

22-3-95: As a para on the same observation had been included in Audit Report for the year 1990-91, this **para was deleted** from here.

24. Para 120: Page 220 – Non-capitalization of Consultant Fee

18-7-92: The compliance of the para had been verified by Audit. **The para was settled.**

25. Para 121: Page 220 – Shortage/Recoverable

18-7-92: Audit had pointed out that the shortages recoverable had increased to Rs.863 million upto 30.6.1987. The Department explained that the pace of recovery was appreciable as shown in the statement produced by the Department. **The para was settled subject to verification** of the said statement by Audit.

26. Para 122: Page 220 – Long Outstanding Dues

18-7-92: The Department explained that the para had since been complied with. **The para was, thus, settled subject to verification** by Audit.

27. Para 123: Page 220 – Unsatisfactory Performance

18-7-92: Audit had pointed out that whereas the PSIC Wood Working Center, Gujrat earned a profit. The PSIC Institute of Ceramics, Gujrat was running into losses. The Department explained that it was an educational institution offering Diploma Classes, but in spite of that it was giving a gross profit.

18-7-92: The Committee directed that separate accounts should be maintained for training facilities. The Committee further directed that a comprehensive report on the working of the Ceramics Factory be submitted to Public Accounts Committee within one month. The para was kept pending.

30-11-94: The Committee directed that previous Public Accounts Committee directive may be complied with in letter and spirit. The para was kept pending.

22-3-95: The Department submitted a report on the working of the Institute of Ceramics, Gujrat and its separate accounts for training facilities. Audit was advised to examine the report and give its remarks by the next meetings. **The para was kept pending.**

28. Para 124: Page 221 – Increasing Inventory of Stock

18-7-92: Audit had pointed out the increasing inventory of stock and stressed the need for disposing of unwanted inventories. Agreeing to Audit's point of view the Committee directed the Department to make efforts to reduce the working stock. **The para was settled.**

Annexure Paras

Working Papers not submitted

29. Para 44 (1963): Page 249 – Serial 47, Recovery of Government Dues Rs.14,646

30. Para 83 (1972-73): Page 249 – Serial 48, Loss Due to Wrong Contract Rs.8,580

31. Para 8 (1976-77): Page 249 – Serial 49, Loss Due to Irresponsible Purchase Rs.50,250

32. Para 10 (1978-79): Page 249 – Serial 50, Excess Expenditure on Residential

Telephone Rs.12,577

Irrigation and Power Department Overview

Total Paras	Civil	Works	Commercial
127	2	124	1

Abstract

Status	Decision	Para Nos.	Total	Pages
Para Noted 1	The para was noted as no further action was required either because they were of descriptive nature or contained Accounts and departmental financial reviews.	Commercial: 3(xviii).	1	
Paras Finally Settled 49	Paras finally settled as the requisite action had been taken.	Civil: 13.6.1 Works: I-1, I-2, I-3, I-5, I-7, I-9, I-11, I-19, I-21, I-23, I-24, I-26, I-30, I-31, II-2, II-4, II-6, II-7, II-9, II-12, II-13, III-1, III-3, III-4, III-7, III-8, IV(i)-8, IV(i)-11, IV(ii)-4, IV(ii)-10(i), IV(iii)-1, V-2, V-3, V-5, V-6, V-8, V-9 Annexure Paras: 5, 123(i), 206, 54(3), 51(12), 108, 116(8), 17(a)18(i), 111(10), 96(3), 51(13)	1 37 11	
Paras Conditionally Settled 23	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Civil: 13.2.1 Works: I-12, I-15, I-16, I-22, I-28, II-5, II-8, III-5, III-6, III-9, IV(ii)-3, IV(ii)-6-i, IV(ii)-6-ii, V-1, V-11. Annexure Paras: 53(2), II(6), 51(2), 51(21), 13, III(xxi), 90, 52(3)	1 15 7	
Paras Pended 54	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Works: I-4, I-6, I-8, I-10, I-13, I-14, I-17, I-18, I-20, I-25, I-27, I-29, II-1, II-3, II-10, II-11, III-2, III-10, IV(i)-1, IV(i)-2, IV(i)-3, IV(i)-4, IV(i)-5, IV(i)-6, IV(i)-7, IV(i)-9, IV(i)-10, IV(ii)-1, IV(ii)-2, IV(ii)-5, IV(ii)-7, IV(ii)-8, IV(ii)-9(i), IV(ii)-9(ii)(iii), IV(ii)-10(ii), IV(iv)-1, V-4, V-7, V-10. Annexure Paras: III(8), 56(22), 108(3), 98(2), 112, 89, 112(xxii), 100(i), 111(22), 96(4), 110, 50(19), 84(12), 97(16), 68.	39 15	

Discussed on 22 February, 16-18 November, 16-17, 30-31 December 1992, 29 March, 17 May, 17 November 1993, 16 May, 19-20 December 1995, 31 January, 30 July 1996 and 23 May 2002.

(Civil Audit)

1. Para 13.2.1: Page 155 – Misappropriation of Auction Money Rs.49,260

22-2-92: The Committee directed that the matter of construction of mosque and shops attached to the mosque, on Government Land with the contribution money of the employees and utilisation of income from the rent of the shops towards the maintenance of the mosque, should be got regularized by the Finance Department. **The para was settled subject to verification.**

2. Para 13.6.1: Page 155 – Short Receipt of Store Rs.9,000

22-2-92: The explanation of the Department giving full details of the purchase, was accepted by the Committee and the **para was settled.**

(Works Audit)

1. Para I-1: Page 49 – Excess payment to Contractor and Loss Due to Defective Execution of Work Rs.172,325

17-11-93: The Department explained that the excavated earth had been utilized and deduction made accordingly. Verification having been done by Audit, the **para was settled.**

2. Para I-2: Pages 49-50 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.27,333

Audit admitted that Audit objection was based on certain mis-conception and the rate had rightly been paid by the Department. **The para was settled** accordingly.

3. Para I-3: Page 50 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.14,416

The para pertained to an overpayment of Rs.14,416 by treating earth work as brick pavement. As full recovery had been effected and verified by Audit, the **para was settled.**

4. Para I-4: Page 50 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.182,301

17-12-92: Audit informed the Committee that the Standing Rates Committee had decided that recovery should be made from the contractor on account of excessive rate for dressing of earth in addition to the compaction work. The Department stated that the contractor concerned

Haji Atta Rasul was still working with the Department and the amount would be recovered, while the other contractor, Mr. Raza Zaman, was outside Lahore. Finance Department expressed their views that payment, in any case, should not have been made. The Committee directed that since the over-payment had been made deliberately, recovery of the amount should be effected from the XEN/SDO concerned before the commencement of the next meeting of the Public Accounts Committee. In case the recovery was not effected, then both the Officers should be proceeded against under E & D Rules. The para was kept pending.

20-12-95: The Department explained that an amount of Rs.84,275 (Rs.6,275 + Rs.20,000) had been recovered. The balance recovery was in process as the XEN concerned had been directed to effect recovery from the defaulters.

20-12-95: The PAC directed that recovery might be completed within three months otherwise the XEN would be held responsible for the loss and recovery be made from him. The para was kept pending.

30-7-96: The Committee was informed that out of the total amount of Rs.1,82,301, a sum of Rs.84,275 had already been recovered and got verified by Audit leaving a balance of Rs.98,026.

30-7-96: The PAC directed that recovery of Rs.98,026 should be effected from the XEN concerned within two months.

30-7-96: The Administrative Secretary assured the PAC that recovery would be effected within the stipulated period. The para was kept pending.

5. Para I-5: Pages 50-51 – Excess Payment to Contractor & Loss Due to Defective Execution of Work Rs.16,400

17-11-93: Full recovery of the reduced amount of Rs.16,400 having been verified by Audit and the para was settled.

6. Para I-6: Page 51 – Excess Payment to Contractor & Loss Due to Defective Execution of Work Rs.52,115

17-11-93: The Department explained that the alleged over-payment was made under the orders of the Superintending Engineer concerned who was the Competent Authority. It was also explained that berm and channel were two different work and rates had to be paid accordingly – Berm @ 83.20 and Channel @ 120.24.

17-11-93: The Department was directed to produce relevant record to Audit for verification. The Department was also directed to submit a detailed note depicting factual position of the case and also explaining whether Technical Sanction was accorded before competition or not. The para was kept pending.

20-12-95: The Department explained that during the execution of work the contractor complained about the nature of work. Accordingly the site of work was inspected by Superintending Engineer concerned and NESPAK (Consultants). Accordingly the

Superintending Engineer amended the estimate being Competent Authority. Since the rate was provided in the Sanctioned Estimate. Therefore no excess payment was involved.

20-12-95: The PAC observed that PAC's directive dated 17-11-1993 had not been complied with despite the lapse of three years wherein the Department was directed to submit a detailed report depicting factual position of the case and also explaining whether Technical Sanction was accorded before competition or not. The Department was also directed to produce relevant record to Audit for verification. Therefore the Department was again directed to comply with the said directive of PAC within two months. The para was kept pending.

30-9-96: In this case an overpayment of Rs.52,115 had been made by the Department to a contractor. As per previous directive of the PAC, the Department produced the record and detailed report to Audit. After perusal of record by Audit, the amount of the para was reduced to Rs.32,616.

30-9-96: The Committee directed that recovery of Rs.32,616 should be effected within two months. **The para was kept pending.**

7. Para 1-7: Page 51 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.41,684

20-12-95: The Committee was informed that the average lead paid to the contractor was in accordance with the prescribed procedure. As verification had been done by Audit, the **para was settled.**

8. Para I-8: Page 52 – Excess Payment to Contractor & Loss Due to Defective Execution of Work Rs.41,461

17-11-93: After a long discussion, the Committee desired to know as to why cross-sections were not observed. The Committee directed that recovery be made from the officer concerned after an inquiry and a detailed report be submitted in the next meeting. The para was kept pending.

17-11-93: The Meeting then adjourned to meet again on 18-11-1992 at 9.30 A.M. in the Tea Room, Assembly Building, Lahore.

20-12-95: The Department explained that full amount had been recovered.

20-12-95: The PAC was apprised that amount had been increased to Rs.83,576 therefore, recoverable balance needed to be reconciled with Audit. The PAC directed to reconcile the figures and complete recovery of increased amount within three months. **The para was kept pending.**

9. Para 1-9: Page 52 – Excess Payment to Contractor & Loss Due to Defective Execution of Work Rs.19,408

17.11.93: Audit informed the Committee that verification from the original plan had been done and it was established that there was no excess payment involved. **The para was settled.**

10. Para 1-10: Pages 52-53 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.142,884

17-12-92: The Department explained to the Committee that the XEN had been directed to effect recovery from the contractor concerned who was currently working in Kala Bagh. The Committee observed that they were not concerned with the contractor. If recovery could not be effected from the contractor then it should be recovered from the XEN concerned. The Chief Engineer was directed personally to decide the amount of recovery. The para was kept pending.

20-12-95: The Department explained that concerned quarter was being asked to effect recovery.

20-12-95: The PAC was not satisfied with the pace of action and therefore, directed to complete recovery within three months. **The para was kept pending.**

11. Para 1-11: Page 53 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.50,808

17-12-92: Explanation of the Department was accepted and the **para was settled.**

12. Para 1-12: Page 53 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.14,237

17-12-92: The Committee did not agree with the explanation tendered by the Department and directed that recovery of the balance amount of Rs.8,567 should be made. The para was kept pending.

20-12-95: The Department explained that full recovery had been made. **The para was settled subject to verification** of relevant record by Audit.

13. Para 1-13: Page 53 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.232,199

17-12-92: Audit pointed out that the contractor had been paid higher rates than were admissible under the codal provisions. The rate for compaction done by mechanical means was Rs.31 whereas the rate for compaction by animal driven roller was Rs.61. It was also contended by Audit that the work was actually got done by mechanical means and the payment was made at the rates prescribed for animal driven roller. The Department stated that the work “Mechanical Means” had not been used anywhere and also they did not have power road rollers. The Finance Department put in a very pertinent query as to why deduction from the contractor was made on account of power driven roller if there was no mention of it.

17-12-92: The Committee directed that the Administrative Secretary should visit the site personally and certify that the work was actually got done by animal driven roller otherwise recovery should be effected from the Officers/Officials concerned before the next meeting. The Department was also directed to approach the Standing Rates Committee for deciding where the work would be done by animal driven roller and where by the power driven roller. The para was kept pending.

20-12-95: The Department explained that animal driven roller was used and nowhere the mechanical compactor was used.

20-12-95: The PAC was not convinced and directed that the Administrative Secretary should visit the site personally and certify the use of animal driven roller for the compaction work. Otherwise recovery be effected from the Officer/Official responsible. **The para was kept pending.**

14. Para 1-14: Page 54 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.118,400

17-12-92: Audit brought to the notice of the Committee that payment should not have been made to the contractor for filling work because earth was already there and had not to be brought from elsewhere. The Department explained that the earth received from cutting was utilized in filling but where there was no cutting then the earth had to be procured from outside. After detailed discussion, the Committee opined that it appeared to be a case of rehabilitation of the canal in the desert area but the Department had used wrong phraseology by mentioning berm filling and cutting. Audit was directed to verify the position from the relevant record. The para was kept pending.

20-12-95: The Department was directed to effect recovery of reduced amount of Rs.61,734 within three months and relevant record should also be got verified by Audit. **The para was kept pending.**

15. Para I-15: Page 54 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.59,167

18-11-92: The Department explained that actual amount of the para was Rs.10,506 which had since been recovered. **The para was settled subject to verification.**

16. Para I-16: Pages 54-55 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.20,706

18-11-92: Full recovery was stated to have been made. **The para was settled subject to verification** by Audit.

17. Para I-17: Page 55 – Excess Payment to Contractor & Loss Due to Defective Execution of Work Rs.68,536

16-11-92: Audit pointed out to the Committee that dressing was included in the rate of compaction. It was also the decision of the Finance Department, dated 16th March, 1988, that payment of dressing should not be made separately. Administrative Secretary informed the Committee that instructions had already been issued that extra payment for dressing would not be made in future. The Department produced an MB pertaining to 1984 wherein it was indicated that separate payment for dressing was not made to the contractor. Audit stated that the Department had now given a separate version and, therefore, they would be able to give their opinion after reconciliation which the Department should get done. The Committee desired to know if it was clear in 1984 that payment for dressing could not be made, then if any Officer had made such payment after 1984 then he was responsible for the overpayment and recovery should be effected from such Officers/Officials, i.e. XEN, SDO, Divisional

Accountant, Sub-Engineer, etc. The Committee directed that the Department should submit a comprehensive note containing details regarding DNIT, TS, revised TS, Vouchers, rate, whether payment was made or not, payment was made differently or not, etc., on 18-11-1992. The para was kept pending.

16-12-92: The Committee directed the Department to effect recoveries from the concerned Officers and initiate disciplinary actions under E & D Rules. The para was kept pending.

29-3-93: The Department informed the Committee that, as per decision of the Public Accounts Committee, letters for recovery had been written to the concerned Officers/Officials to deposit the amount on or before 28-3-1993 failing which they would be proceeded under the E & D Rules. None of the defaulters had deposited the amount so far. Therefore, action under E & D Rules would be initiated against them.

29-3-93: The Committee observed that the pace of action was hopelessly slow as the loss had been pointed out to the Department in 1984, and directed that action should be finalized within three months commencing from 29-3-1993. The para was kept pending.

17-5-93: The Department informed the Committee that, as per their directive, letters had been written to the four defaulting Officers/Officials to deposit the amount, before 28-3-1993 but none of them had responded inspite of reminders. Therefore, charge sheets under E & D Rules were under process and would be served upon the defaulters. Finance Department inquired whether the recovery would be effected in equal shares or proportionately. The reply of the Department was that it would be received in equal shares. The Department, however, stated that their main effort would be to recover the amount from the contractor concerned failing which recovery would be effected from the four defaulters mentioned above.

17-5-93: The Committee took a serious note of Un-necessary delay on the part of the Department in finalizing the matter. The Department, however, assured the Committee that the matter would be finalized without further delay. The para was kept pending.

31-1-96: The Department explained that Rs.54,000 had been recovered from the contractor leaving a balance of Rs.14,536. The contractor was still working with the Department and the balance amount would be deducted from his next bill within one month. **The para was kept pending** for complete recovery and its verification by Audit.

18. Para 1-19: Page 56 – Excess Payment to Contractor & Loss Due to Defective Execution of Work Rs.42,257

31-12-92: It was brought to the notice of the Committee that an excess payment of Rs.42,257 was made to the contractor by allowing him excessive lead of 116 miles when good stone was available at Shahkot Quarry. The Department explained before the Public Accounts Committee that they used the stone of that quarry but was rejected by US AID experts as of inferior quality stone. The stone of required quality/ specification was available only at Sikhawali Quarry, therefore, the Department had to make efforts to that extent for the procurement of quality stone to be used in the road construction work. The stone used was approved as good stone, so on merits the rates had to be enhanced. The Superintending Engineer was competent to effect that change. The explanation tendered by the Department was accepted by Public Accounts Committee and the **para was settled.**

19. Para I-20: Pages 56-57 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.36,075

16-12-92: Audit pointed out that the issue had been referred for advice to Standing Rates Committee. The para was kept pending.

29-3-93: Audit informed the Committee that the matter of excess payment of Rs.36,075 was discussed in the meeting of the Standing Rates Committee and it was decided that one or two members should visit the site in order to ascertain whether the operation of dressing of bricks in lining of canals was involved or not and decide whether payment should have been made or not.

29-3-93: The Committee directed that the Department should arrange to get an early decision from the SRC. The para was kept pending.

17-5-93: The Committee was informed that the matter was still pending with the Standing Rates Committee for decision. It was further stated that the last meeting of the Standing Rates Committee had been held on 14-3-1993. The Department assured the Committee, that next meeting of the SRC would be arranged without further delay for a final decision. The para was kept pending.

31-1-96: The Department explained that recovery of Rs.7,636 had been effected and remaining recovery was being pursued.

31-1-96: The Committee directed that best efforts should be exercised to recover the balance amount. The recovered amount of Rs.7,636 might be got verified by Audit. **The para was kept pending** for balance recovery.

20. Para 1-21: Page 57 – Excess Payment to and Loss Due to Defective Execution of Work Rs.20,644

17-12-92: Audit pointed out to the Committee that the Standing Rates Committee had decided that recovery should be effected from the contractor. The Department stated that recovery had been effected and would be got verified by Audit. Subject to verification by Audit, the para was settled.

16-5-95: As recovery of Rs.20,644 had been verified by Audit, the **para was settled.**

21. Para I-22: Pages 57-58 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.24,579

30-12-92: The para was kept pending for recovery of amount either from the SDO and Overseer at equal rate or from the contractors.

16-5-95: The Committee was informed that out of the total amount of Rs.24,579, only a sum of Rs.7,100 remained to be recovered. **The para was settled subject to recovery of Rs.7,100 and its verification by Audit.**

22. Para 1-23: Page 58 – Excess Payment to Contractors and Loss Due to Defective Execution of Work Rs.61,261

30-12-92: It was explained that the amount of the para stands reduced to Rs.8,067.47. The requisite amount had been recovered and got verified by Audit. **The para was settled.**

23. Para 1-24: Pages 58-59 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.39,741

17-12-92: The Committee directed that the Administrative Secretary should look into the matter personally and submit a detailed report indicating the discharge of Head Punjnad in May and June at that time and also to satisfy himself whether the work was actually got done or not. The para was kept pending.

16-5-95: The Department explained that the matter had been examined in detail in the light of previous PAC directive. The discharge of water, at that time, was unprecedented and, therefore, payment for re-handling charges for earth work was necessary. It was further explained that record pertaining to the headworks discharge was now available and, it was confirmed that the rates had been paid correctly. Explanation of the Department was accepted and the **para was settled.**

24. Para 1-25: Page 59 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.58,984

30-12-92: The para was settled subject to verification by Audit.

16-5-95: Audit informed the Committee that the para had already been reduced to Rs.37,004, but the balance was yet to be recovered. The Committee directed that recovery of the balance amount should be effected within three months. **The para was kept pending.**

25. Para 1-26: Pages 59-60 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.11,594

17-12-92: The Department explained that the work had been done and rates paid in accordance with the specifications. The Committee directed that unless and until the position was approved by the Standing Rates Committee, the unloading rates should not be paid.

17-12-92: However, explanation of the Department in this para was accepted and the **para was settled** with the observation that it should not be quoted as precedent.

26. Para 1-27: Page 60 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.67,679

30-12-92: A report about the balance recovery from the concerned quarters and progress towards making recovery as arrears of Land Revenue be intimated. The para was kept pending.

16-5-95: In this case excess payment of Rs.67,679 was made to two contractors through excessive measurements of earth work. The Department informed the Committee that recovery of Rs.54,790 had been effected from one contractor but the second contractor, who received overpayment of Rs.12,889, had filed a Civil Suit.

16-5-95: The Committee directed that recovery of Rs.12,889 should be effected from the DDO concerned within three months. **The para was kept pending.**

27. Para 1-28: Pages 60-61 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.130,517

30-12-92: The amounts recovered should be got verified by Audit. The para was settled

subject to verification.

19-12-95: The para was settled subject to verification of record in support of departmental contention.

28. Para 1-29: Page 61 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.46,122

30-12-92: The Public Accounts Committee desired that the matter should have been referred to the Standing Rates Committee for correctness of the rate. The reply of the Department was not accepted and the consideration of the para was deferred till next meeting.

19-12-95: The Department explained that the SDO and XEN responsible for defective execution of work had been suspended for further action against them.

19-12-95: The PAC observed that previously PAC directed on 30-12-92 to refer the case to the Standing Rates Committee to seek their viewpoint in the matter. The Department did not comply with the directive of PAC immediately and referred the case to the Standing Rates Committee in 1995 after the lapse of about three years. This non-responsive attitude of the Department was viewed seriously by the PAC. The Department was directed to suspend the person responsible for non-compliance of PAC's directive dated 30-12-92 and disciplinary action under E&D Rules be initiated against him and recovery be effected from the XEN and SDO concerned. This action should be completed within three months. **The para was kept pending.**

29. Para 1-30: Page 61 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.5,326,345

16-12-92: The XEN concerned stated that the most practicable route was observed for carriage of stone and the route suggested by Audit was not safe for heavy loaded trucks.

16-12-92: After lengthy deliberations, it was decided that the Chief Engineer may check whether the Technical Sanction had been issued before the call for tenders. He may also visit the site and determine on the basis of documents whether the route suggested by Audit was practicable or not and submit his report through the Administrative Secretary latest by February, 1993. The para was kept pending.

30-12-92: It was observed that the position explained by the Department in the working paper was not convincing. The road distance of the route given in the working paper was shown as 213 miles without any approved lead chart/documentary proof, whereas the road distance for the same route as published by Highway Department was 196 miles. Thus the payment of 17 miles on account of excess lead was incorrect and needed to be recovered. However, final decision of the Committee was kept pending for production of documentary evidence by the Department in support of its contention.

29-3-93: Audit explained to the Committee that this was inter-linked para pertaining transportation and that they had been directed by the Public Accounts Committee in the last meeting to submit a note regarding this para. Audit produced the note to the Public Accounts Committee.

29-3-93: The Committee observed that consideration should be deferred till next meeting for studying the note.

17-5-93: The Administrative Secretary sought for time to further examine the case in detail, in the light of the report submitted by Audit to Public Accounts Committee in the last meeting. The para was kept pending.

31-1-96: Explanation of the Department was accepted and the **para was settled.**

30. Para I-31: Page 62 – Excess Payment to Contractor and Loss Due to Defective Execution of Work Rs.259,200

16-12-92: Audit pointed out that 226 miles lead was provided in the agreement which was later on split up during the execution.

16-12-92: It was stated by the Department that stone haulage by trucks was only possible upto Pucca Road and from there onward to the river edge was hauled by Tractor Trollies. This was accomplished at no additional cost and so provided in the original estimated cost and Technical Sanction was also available.

16-12-92: The Committee directed the Administrative Secretary to examine the case and give his definite views by 30-12-1992. The para was kept pending.

30-12-92: Audit objected why stone was paid in two stages against the provisions of the agreement which resulted in payment at higher rate to the contractor. Had the carriage been arranged direct from the quarry to the site of work payment at higher rate could have been avoided. The Administrative Department explained that carriage from quarry to river edge was not possible. The carriage is done in small consignments by means of Tractor Trollies. The carriage of stone was approved in the Technical Sanction in two stages as the carriage of boulder stones from Sikhanwali quarry to river edge involving katcha road was not possible through trucks, therefore, the tucks had to be unloaded near pacca road for further carriage. Further consideration of the para was deferred by the Public Accounts Committee. The Public Accounts Committee also decided to visit the site. The para was kept pending.

29-3-93: Audit explained to the Committee that this was inter-linked paras pertaining to transportation and that they had been directed by the Public Accounts Committee in their last meeting to submit a note regarding this para. Audit produced the note to the Public Accounts Committee.

29-3-93: The Committee observed that consideration should be deferred till next meeting for studying the note.

17-5-93: Both the Finance and Audit Departments emphasized the fact that it was a clear-cut case of recovery because excess payment was made for carriage in two stages. It was also pointed out by them that according to rules carriage was required to be paid in one stretch without splitting the distance and substantiated their point of view by referring to a decision of the Standing Rates Committee wherein splitting of lead was rejected. As per suggestion of Audit, the Administrative Secretary agreed that the matter may be referred to the Standing Rates Committee for clarification. The Public Accounts Committee agreed to it. The para was kept pending.

31-1-96: Explanation of the Department was accepted and the **para was settled** but with the observation that this decision should not be quoted as precedent/reference in future.

31. Para II-1: Pages 62-63 – Non-recovery of Government Dues from

Contractor Rs.723,600**Serial No.1 Regarding Excess quantities of earth valuing Rs.51,214**

31-12-92: Since the XEN concerned Qazi Muhammad Yousuf had expired, recovery of the amount was now not possible from him. The item was kept pending for recovery/write off.

Serial No.2 Regarding POL recoverable from XEN Mech Division Lahore Rs.72,855

31-12-92: The accountal had been verified. The item was settled.

Serial No.3 Regarding advance bill of Bulldozer Costing Rs.148,960

31-12-92: So far an amount of Rs.62,928 had been recovered from the Agriculture Department. For the balance recovery of Rs.86,032 the item was kept pending.

Serial No.4 Regarding Non Recovery of Water-Charges of Rs.450,600

31-12-92: The item was deleted. The case was being considered by the Finance Department.

Recovery of Rs.52,056 from PHED Chakwal

31-12-92: The item was kept pending for the recovery of the balance amount of Rs.25,400. The para was kept pending.

(a) Recovery from Municipal Committee Chakwal

29-3-93: The Department explained that recovery from Municipal Committee, Chakwal, could not be effected as it had claimed that water charges should be obtained from them at the same rate at which these were being received from Municipal Committee, Rawalpindi. A summary for decision had been sent to the Chief Minister, Punjab, in this regard. The Committee directed the Administrative Secretary to write a DO to the Chief Minister for expediting decision on the summary.

(b) Recovery from Public Health Engineering Department, Chakwal

29-3-93: Recovery of Rs.26,352 had been effected from the PHED and the balance would be recovered in due course. The Committee directed that the amount of this item may be reduced by the amount already recovered and verified and recovery of the balance be expedited. The para was kept pending.

17-5-93: The Committee was informed that the amount of Rs.51,214 was recoverable from Qazi Muhammad Yousuf, the then Executive Engineer who had since expired. Therefore, recovery was not possible. However, additional funds had been demanded from the Planning and Development Department to clear the suspense through book adjustment. The item was kept pending.

17-5-93: The Committee was further informed that out of a total amount of Rs.148,960, regarding advance bill of the cost of the bulldozer, Rs.62,928 had been recovered from the Agriculture Department leaving a balance of Rs.86,032. Additional funds had been demanded from the Planning and Development Department to clear the suspense through book adjustment. The Department could not clarify the position in reply to a query by Audit whether they had to pay or receive the amount from the Agriculture Department. However, it was explained that out of the two amounts, payment was made for the work done against the suspense head; and book adjustment would be made on receipt of the additional amount from

the Planning and Development Department. Audit further opined that payment should have been made against the availability of funds.

17-5-93: The Committee observed that the paras were pending since long and it appeared that serious efforts were not made to finalize them. The Department assured the Committee that personal efforts would be made to obtain the funds for book adjustment.

19-12-95: The Department informed the Committee that Rs.15.00 lac had been recovered from M.C. Chakwal and the balance will be recovered in four annual installments upto 1999. The para was settled subject to verification of recovery by Audit. **The para was composite and kept pending.**

32. Para II-2: Page 63 – Non-recovery of Government Dues from Contractor Rs.178,568

17-11-93: The Department was directed that recovery of Rs.95,000 should be got verified by Audit and Secretary should examine whether the contractor applied for extension of time limit within the prescribed limit of thirty days and submit report in the next meeting of the Public Accounts Committee. Para was kept pending.

20-12-95: The Department explained that recovery of Rs.90,944 had been got verified by Audit and remaining recovery would also be got verified by Audit.

20-12-95: The PAC settled the para subject to verification of recovery and record by Audit.

30-7-96: The Department explained that full recovery had been effected and got verified by Audit. **The para was settled.**

33. Para II-3: Pages 63-64 – Non-recovery of Government Dues from Contractor Rs.24,055

17-11-93: The Department explained that the rent was recoverable from two official, one had been retired and the other was still serving. The Committee directed that the retired person should pay the standard rent or the amount should be got written off by the Competent Authority. The Committee further directed that the serving official should deposit the amount before the next meeting. The para was kept pending.

20-12-95: The para was settled subject to verification of record subject to recovery by Audit.

30-7-96: The Department explained that an amount of Rs.7,175 was calculated against Ch. Mushtaq Ahmad, Superintendent (Retired) on penal rate basis, while the Department had recovered a sum of Rs.913 from him as standard rate of rent. An amount of Rs.16,910 was recoverable from Mr. Muhammad Rafique, Sub-Engineer, and the official had been proceeded under E & D Rules. The inquiry had been completed and submitted to the Competent Authority. Final action would be taken in the light of the decision of the Competent Authority on the Inquiry Report.

30-7-96: In view of the explanation of the Department, the PAC directed to effect recovery at standard rate of rent and the **para was kept pending.**

34. Para II-4: Page 64 – Non-recovery of Government Dues from Contractor Rs.22,200

17-11-93: Audit brought to the notice of the Committee that payment of Rs.22,200 was made to a contractor for dismantled wooden doors without giving credit to the work. The Department released the security of the contractor prematurely without deducting the amount of loss. The Department informed the Committee that recovery of full amount had been effected from the contractor on 7-11-1992 and would be got verified by Audit. The Committee was not satisfied because, in its opinion, mere recovery was not sufficient punishment for a default. The Department was directed that the Chief Engineer should look into the matter and submit a detailed note to the Committee in the next meeting. Para was kept pending.

20-12-95: The Department explained that full recovery had been effected and verified by Audit. **The para was settled.**

35. Para II-5: Page 64 – Non-recovery of Government Dues from Contractor Rs.386,480

18-11-92: The Chief Engineer promised to make the recovery by the next meeting. The para was kept pending.

20-12-95: **The para was settled subject to recovery** of the balance amount of Rs.28,065 and its verification by Audit.

36. Para II-6: Pages 64-65 – Non-recovery of Government Dues from Contractor Rs.123,090

18-11-92: The Public Accounts Committee and Audit agreed with the explanation of the Department. **The para was settled.**

37. Para II-7: Page 65 – Non-recovery of Government Dues from Contractor Rs.35,600

16-11-92: The Department explained to the Committee that this was an old case of illegal possession by one Wali Muhammad since 1977. The said Wali Muhammad was also not paying the dues for the Government Land. It was stated that a Civil Suit had been filed against defaulter who had obtained a Stay Order. The Department, however, had been successful in getting the Stay Order vacated during the last month. Finance Department wanted to know what steps had been taken by the Department for ousting the unlawful occupant, and that steps had been taken for possession of the land. According to them it was beyond comprehension as to why the Department remained silent for ten long years and did not refer the case to proper authorities. Finance Department opined that it would have been a simple matter to get ejection of the unlawful occupant if Judicial Orders from the ADC(G) would have been obtained in this behalf.

16-11-92: The Committee directed that the Department should get clear possession of the land and then auction it. The ADC(G) should be requested to issue orders to the Assistant Commissioner for instructing the Police for getting the land vacated. The Chief Engineer was directed to make personal efforts and contact the above mentioned officers. Para was kept pending till 18-11-1992.

16-12-92: It was stated by the Administrative Secretary that the matter had been discussed with ADC(G) and with the Deputy Commissioner regarding the eviction of the occupants.

16-12-92: The Department was directed to pursue the matter vigorously. The para was kept pending.

29-3-93: The Department assured the Committee that it was pursuing the Sub-judice case vigorously and its next hearing had been fixed for 5-4-1993. The para was kept pending.

17-5-93: Regarding non-recovery of Rs.35,600, the Department explained that the case was sub judice and the last hearing had been fixed for 17-5-93. The Department assured the Committee that they were pursuing the case vigorously in order to get an early decision. The para was kept pending.

31-1-96: The recovery had been verified by Audit. **The para was settled.**

38. Para II-8: Pages 65-66 – Non-recovery of Government Dues from Contractor Rs.20,000

20-12-95: It was stated by the Department that full recovery had been made. **The para was settled subject to verification** of record pertaining to recovery by Audit.

39. Para II-9: Page 66 – Non-recovery of Government Dues from Contractor Rs.396,550

31-12-92: The Department assured the Committee that strenuous efforts were being made to effect recovery of difference of cost from the concerned firms. The Public Accounts Committee directed the Department that recovery may be pursued vigorously and got verified from Audit. The para was settled subject to Recovery and its verification by Audit.

19-12-95: The explanation of the Department was accepted and the **para was settled.**

40. Para II-10: Pages 66-67 – Non-recovery of Government Dues from Contractor Rs.51,065

17-12-92: It was explained that the contractor left the work incomplete and the work was got completed through another contractor at higher rates. The difference was recoverable from the first contractor. Regarding the earnest money of Rs.10,000, the Department admitted that the security had been released to the first contractor. The XEN concerned had expired in an accident. The Committee directed that if the security money had not been withheld, then action should be taken against the concerned XEN, SDO. Action should also be taken against the DAO by the A.G. The Chief Engineer was directed to look into the matter personally. The para was kept pending.

16-5-95: The PAC, in its meeting held on 17.12.1992, had directed that “recovery should be effected expeditiously and action be taken against the defaulters including the Divisional Accountant who failed to deduct the earnest money from the bill of the contractor”. Apparently, the Department did not show any progress in the matter. The Committee directed that, apart from recovery, disciplinary action should also be taken against the SDO concerned and the Divisional Accountant. **The para was kept pending.**

41. Para II-11: Page 67 – Non-recovery of Government Dues from Contractor Rs.843,534

30-12-92: The Committee directed that the amount stated to have been recovered should be checked from the bank and treasury and got verified by Audit within a week.

30-12-92: The record of the lease period should also be shown in the next meeting. The

para was kept pending.

16-5-95: The Department informed the Committee that an amount of Rs.48,000 had been recovered and got verified by Audit. Further recovery of Rs.689,334 would be got verified by Audit. The balance amount of Rs.159,200 is recoverable from Mr Shahid Latif (144,000) and Mr Muhammad Afzal (15,200), and the recovery was being pursued. **The para was kept pending** for recovery of the balance amount.

42. Para II-12: Pages 67-68 – Non-recovery of Government Dues from Contractor Rs.47,742

17-12-92: The Committee was informed that the contractor had deposited the actual due amount of Rs.43,260. **The para was settled.**

43. Para II-13: Page 68 – Non-recovery of Government Dues from Contractor Rs.62,135

17-12-92: Verification of the inquiry findings, as well as orders passed by the Competent Authority exonerating the defaulter, having been done by Audit, the **para was settled.**

44. Para III-1: Page 68 – Loss to Government Rs.23,500

17-11-93: It was explained to the Committee that this case pertained to two Divisions, namely, Sargodha and Kerana Divisions. The contractor encashed two deposit calls amounting to Rs.23,500 by including Kerana in the deposit call for Sargodha. Audit pointed out that deposit call is submitted to the XEN who accepts the tenders and the Head Clerk is responsible for the issuance of tenders. It was further pointed out that the deposit call is never issued for two Divisions. The Committee directed that the Department should work out the loss caused to Government, recover it from the XEN and the Head Clerk concerned, proceed both the persons under E & D Rules and submit final report to the Public Accounts Committee in the next meeting. The para was kept pending.

20-12-95: The Department explained that actual loss was Rs.15,701 (Rs.10,312 + Rs.5,389) which had since been recovered. The para was settled subject to verification of record by Audit.

30-7-96: Recovery having been effected from the contractor and verified by Audit. **The para was settled.**

45. Para III-2: Pages 68-69 – Loss to Government Rs.208,431

18-11-92: The Public Accounts Committee directed the Administrative Department to re-examine the case and give more details relating to its overhauling, repairs, and Log-Book maintained for that years the jeep remained in use by the Department. The para was kept pending.

20-12-95: Previously on 18-11-1992 the PAC directed the Department to re-examine the case and give more details relating to over-hauling and repair of jeep along with Log Books maintained during the period the vehicle remained under use. The Department did not provide the said information in the working papers which tantamount to non-compliance of PAC's directive.

20-12-95: The Department explained that expenditure pertained to four years i.e. 1982-83,

1983-84, 1984-85 and 1986-87 and Superintending Engineer Faisalabad had thrashed out the case.

20-12-95: The PAC was not satisfied and directed the Department to provide the year-wise details of expenditure along with relevant Log Books and value of the vehicle in 1987 to Audit within two months. **The para was kept pending.**

46. Para III-3: Page 69 – Loss to Government Rs.42,810

Out of the reduced amount of Rs.27,890 pertaining to this para, an amount of Rs.3,900 had been recovered. The balance was not likely to be recovered as no bidder was prepared to bid for one year's lease. The Secretary concerned informed the Committee that he had prepared a list of such lands and submitted it to the Board of Revenue either to lease out these lands or to sell them. The explanation of the Department was accepted and the para was settled.

16-12-92: The recovery of Rs.14,920 had since been verified by Audit and the departmental contention was accepted. **The para was settled.**

47. Para III-4: Pages 69-70 – Loss to Government – Rs.2,220,991

31-12-92: The explanation of the Department was accepted and the **para was settled.**

48. Para III-5: Page 70 – Loss to Government Rs.1,336,085

20-12-95: The PAC directed that recovery of Rs.1,118,341 might be got verified by Audit. The balance payment of Rs.217,744 was due from Irrigation Zone, Lahore who was directed to arrange the payment to the Drainage and Flood Zone. **The para was settled subject to verification.**

49. Para III-6: Pages 70-71 – Loss to Government Rs.276,000

20-12-95: It was explained by the Department that the consultancy had been done for the lining of Niaz Baig distributory and payment was made on the work done basis.

20-12-95: The PAC **settled the para subject to the verification** of record with reference to agreement and certificate of work done.

50. Para III-7: Page 71 – Loss to Government Rs.270,650

30-12-92: It was explained by the Department that a summary for auction of the rail track had already been sent to the Chief Minister. The Department assured the Committee that the auction of the material will bring substantial amount when disposed of through open auction. **The para was settled.**

51. Para III-8: Page 71 – Loss to Government Rs.9,860,633

17-12-92: The Department explained that the actual cost of the Tubewells was Rs.1,040,000 and electricity charges were Rs.960,663. Thus the total amount of the para was Rs.2,000,663. The expenditure was inevitable as the Tubewells had to be kept in working condition. Explanation of the Department was accepted and the **para was settled.**

52. Para III-9: Page 72 – Loss to Government Rs.453,519

17-12-92: The Department explained that payment for cutting and carriage was made to the contractor according to the rules. No payment was made for trees to the contractor. Subject to verification by Audit, the para was settled.

19-12-95: **The para was settled. subject to verification** of record on 28th December, 1995, by Audit.

53. Para III-10: Page 73 – Loss to Government Rs.180,600

30-12-92: The Public Accounts Committee directed the Administrative Secretary to look into the matter personally and to conduct the inquiry in to the matter and also assess the value of 307 trees. The para was kept pending for a comprehensive report.

19-12-95: The Department explained that due to rehabilitation of canal the trees were cut down/pulled out and handed over to Forest Department for disposal of the same at their end.

19-12-95: The Public Accounts Committee was not satisfied with the explanation and observed that previously the PAC directed the Department on 30-12-1992 that Administrative Secretary should look into the matter personally and to conduct inquiry and also to assess the value of 307 trees, but despite the lapse of three years these directives of Public Accounts Committee had not been complied with. The PAC viewed this lapse of the Department seriously.

19-12-95: The Irrigation & Power Department informed the Committee that Conservator of Forests had informed in writing that the wood had been taken over by the Forest Department and had not been disposed of so far. On the direction of Public Accounts Committee the said representative of Forest Department also appeared before the Committee on 20-12-95, and affirmed the above-mentioned position. On verbal queries it revealed that the trees had in 1987 and transferred to Forest Department in 1989.

19-12-95: The Public Accounts Committee directed that the material may be auctioned within three months. Inquiry be held and responsibility fixed for delay in auction and the Officers/Officials found responsible be proceeded under E & D Rules. **The para was kept pending.**

54 Para IV(i)-1: Page 73 – Shortage Stores Rs.103,512

17-11-93: Progress of recovery from Mr Khalid Mahmood Akbar should be reported to the Committee in the next meeting.

17-11-93: So far as recovery from Mr Aslam Pervaiz, Sub-Engineer, was concerned it was explained that the Forest Department had issued a certificate to the effect that there was no shortage against the Sub-Engineer. Finance Department pointed out that the Inquiry Committee constituted by the Department found that there was a shortage against the Sub Engineer. The Committee directed that inquiry should be conducted against the Sub Engineer under E & D Rules. Progress to be reported in the next meeting. Para was kept pending.

20-12-95: The Department explained that the amount of Rs.8,562 had been recovered and got verified by Audit leaving a balance of Rs.94,950.

20-12-95: The para was settled subject to balance recovery and verification of the same by Audit.

30-7-96: The Department explained that the amount of the para had been reduced to Rs.94,950 after recovery of Rs.8,562. Inquiry was conducted and Khalid Mahmood Akbar, Sub Engineer, involved in the shortage of trees costing Rs.58,000 was exonerated by the Senior Staff Officer. Aslam Pervaiz, Sub-Engineer was held responsible for the shortage of trees costing Rs.36,000 and recovery had been imposed on him which would be deducted at the rate of one-third of his salary per month starting from August paid in September, 1996.

30-7-96: The Department informed the Committee that the defaulter had sufficient service at his credit and recovery would be completed.

30-7-96: The Committee directed that the Inquiry Report exonerating the defaulting Sub Engineer and record pertaining to recovery of Rs.36,000 be shown to Audit for verification. Recovery of balance amount should also be pursued vigorously. **The para was kept pending.**

55. Para IV(i)-2 Pages 73-74 – Shortage of Stores Rs.949,071

17-12-92: Audit informed the Committee that out of the original amount of Rs.12 lac, the para was reduced to Rs.949,071. The Department stated that inquiry against the defaulting Sub-Engineer, Bala Section, had been ordered and would be completed within one month. There appeared to be some confusion about the quantity of wood pertaining to Hamoka Minor between the Department and Audit. According to Audit the quantity of wood involved was 30,000 Cft whereas the Department claimed it to be 3,000 Cft. The Department stated that the relevant record was available with them and brought it to the notice of the Committee. The Committee directed that Audit should verify actual quantity of wood from the Department's record. The Department further stated that the timber/fuel pertaining to Tibbi, Bala, Adhi and Harnoli Sections had been disposed of and verification would be got done from Audit. The Committee directed that Audit should verify the recovery effected and the material consumed. The para was kept pending.

20-12-95: The Department explained that inquiry was completed by SDO concerned and the same had been forwarded to the Chief Engineer.

20-12-95: The Department was directed to provide the Inquiry Report to Audit for scrutiny. **The para was kept pending.**

56. Para IV(i)-3: Page 74 – Shortage of Stores Rs.126,445

17-12-92: The Department explained to the Committee that this was a case of handing-over and taking over between the two Sub-Engineers. Both the defaulters had been Charge-Sheeted under the E & D Rules and Inquiry Report was under progress.

The Department was directed to finalize the matter before the next meeting of the Public Accounts Committee. The para was kept pending.

20-12-95: The Department explained that shortage was depicted due to improper handing over and taking over charge by two Sub-Engineers. Many discrepancies had been removed. The said shortages could not be settled due to non-availability of record. An inquiry was also conducted but the concerned Sub-Engineer did not cooperate with Inquiry Report officer.

Therefore, charge sheets and statements of allegations were submitted to the Competent Authority. **The para was kept pending** for final action and recovery.

57. Para IV(i)-4: Page 74 – Shortage of Stores Rs.218,762

17-11-93: It was explained to the Committee that the Sub-Engineer responsible for the loss of stores was required to pay the loss at the rate of one-third of his pay monthly but the recovery was not effected in full. The recovery was started at the rate decided by the Competent Authority with effect from 1-3-1987 but the Sub-Engineer concerned was transferred to some other Division after seven months. Therefore, Rs.2,100 were recovered. The LPC from the handing-over Division was not issued to the taking-over Division to the Sub-Engineer with the result that he remained without pay for twenty-one months. Consequently, recovery could not be effected. It was also explained that recovery had now been started from the arrears due to the said Sub-Engineer at the prescribed rate. The Committee desired to know as to how the defaulting Sub-Engineer could go on meeting his both ends meet without pay for one year. Whether he agitated for non receipt of salary or not. Also, the huge amount of Rs.2,18,762 could possibly be recovered from the low salary of Sub-Engineer at the rate of one-third of his pay. Apart from the above said queries, the Committee also wanted to know as to who was the person responsible for not deducting the amount to be recovered and what action had been taken against him. Explanation to be submitted to the Public Accounts Committee in the next meeting. Para was kept pending.

20-12-95: The Department explained that fresh inquiry had been finalized according to which responsibility for Rs.86,000 had been fixed. The action was yet to be decided by the authority. The Committee directed that action/recovery be finalized expeditiously. The para was kept pending.

30-7-96: In this case 21876 Ibs burnt copper wire, worth Rs.2,18,762 was found short. The Department informed the Committee that an Inquiry Report Officer had been appointed who had submitted his report to the Chief Engineer concerned who had held a Sub-Engineer responsible for it. However, the defaulter filed an appeal in the Services Tribunal and the case had been remanded by the Tribunal. According to the fresh inquiry the amount of the para had been reduced to Rs.86,000. Recovery would be effected at the rate of one-third salary of the defaulter per month which would be deducted from the pay of the official starting from August paid in September, 1996. The Department assured the Committee that the defaulter had sufficient service at his credit and recovery would be completed without any problem. **The para was kept pending.**

58. Para IV(i)-5: Page 74 – Shortage of Stores Rs.107,388

31-12-92: The Department explained that a Departmental Inquiry Report was held against Mr. Muhammad Hanif Junior Storekeeper and his services were terminated. A case had also been registered against him in the Anti Corruption. He was tried in the Anti Corruption Court and punished for seven years besides fine of Rs.100,000. The accused went into appeal in the High Court. The High Court set aside the decision of the Anti corruption Court and acquitted the accused Mr. Muhammad Hanif giving him the benefit of doubt because the prosecution failed to establish the charges against him. The Department further stated that the accused Mr. Muhammad Hanif was reinstated in the service by the then Superintending Engineer. The

Committee observed that acquittal of the accused by the Court was justified, but the reinstatement of the accused in service was not in order at all. His reinstatement in the service was made by the superintending Engineer in violation of the rules. The Public Accounts Committee directed the Administrative Secretary to examine the case and take disciplinary action against the Officer (S.E.) who allowed reinstatement of the accused in the service. The Public Accounts Committee further directed the Department that recovery of the loss from Mr. Muhammad Hanif should be effected immediately in lump sum instead of in installments besides his termination from service because his reinstatement was not in order and justified. The para was kept pending.

29-3-93: The Committee was informed that Muhammad Hanif, the defaulting Store-keeper had been directed to deposit the amount in limp sum but he had agreed to deposit the amount in installments at the rate of Rs.5,000 quarterly. The Department explained that the defaulter had given written undertaking that he would deposit the amount at the above mentioned rate. The Committee was assured by the Department that the defaulter had sufficient period of service and the amount would definitely be recovered during his service. The para was kept pending for full recovery.

17-5-93: It was brought to the notice of the Committee that recovery of Rs.107,388 was due from Muhammad Hanif, Store Keeper, who was dismissed from service but was reinstated by a court of law. The defaulter had, however, given a written undertaking that he would deposit the amount at the rate of Rs.5,000 quarterly. The Department assured the Committee that the recovery would be made during his service. The para was kept pending.

19-12-95: The Department explained that recovery of Rs.45,000 had been effected from Muhammad Hanif, store keeper in nine installments @ Rs.5,000 each per quarter and the balance of Rs.64,000 would be recovered in quarterly installments. **The para was kept pending** for the balance recovery.

59. Para IV(i)-6: Page 75 – Shortage of Stores Rs.886,253

18-11-92: The disciplinary proceeding was stated to be in progress. The para was kept pending. The PAC directed that the Chief Engineer will conduct a thorough De-Novo inquiry involving the SDO and the Sub-Engineers and report in the next meeting.

Item No.1 – Rs.531,347

20-12-95: The Department explained that Preliminary Inquiry had been completed which was not sufficient and a final inquiry was assigned to XEN, Tubewell Operation division, Shekhupura which had not yet completed.

20-12-95: The PAC was not satisfied with the explanation and observed that in previous meeting the PAC had directed the Department on 18-11-1992 to conduct a thorough inquiry involving SDO and Sub-Engineer and to submit report in next meeting. The said directive was not complied with and the Department was directed to complete inquiry and copy of the report be supplied to Finance Department and Audit for their comments. The item was kept pending.

Item No.2 – Rs.354,906

20-12-95: The Department explained that Store Keeper had deposited the material worth

Rs.230,597 in three installments and the same had also been traced by the police and lying in the police station. The XEN concerned was directed to collect the material from the police on *Supardari*.

20-12-95: The PAC was not satisfied and objected as to why the material was recovered in piecemeal. It seemed that as and when the material was available in the scrap market the same was purchased and deposited with the Department. The recovery should have been effected in cash. The Department was directed to take action against the person responsible for the loss. The item was kept pending. **The para was kept pending.**

60. Para IV (i)-7: Pages 75-76 – Shortage of Stores Rs.978,200

18-11-92: The Secretary Irrigation was directed to examine the whole para and report in the next meeting. The para was kept pending.

20-12-95: The PAC was not satisfied with the explanation of the Department and observed that the PAC in its previous meeting dated 18-11-1992 had directed the Secretary, Irrigation & Power Department to examine the case and his findings be reported to PAC which had not been done. An amount of Rs.354,000 being the cost of 14 Nos electric motor was worked out against Mr. Abdul Sattar, Sub-Engineer, which was later on reduced to Rs.11,200 without giving any justification. The recovery had been accepted in shape of material in piecemeal, where as in the best interest of Government the recovery should have been effected in cash. The PAC directed the Administrative Secretary to thrash out the case and conduct the detailed inquiry under intimation to Audit. **The para was kept pending.**

61. Para IV(i)-8: Page 76 – Shortage of Stores Rs.25,063

30-12-92: The para was settled subject to verification by Audit.

16-5-95: The recovery of Rs.25,063 had been effected and the **para was settled.**

62. Para IV(I)-9: Page 76 – Shortage of Stores Rs.96,690

17-12-92: It was stated that the defaulting Sub-Engineer had been Charge Sheeted and inquiry was being held under the E & D Rules and the result would be received by the Department within a week from the Inquiry Officer concerned. The XEN did not accept the adjustment of trees tendered by the defaulting Sub-Engineer because he tried to get the trees of smaller girth adjusted against the big girth trees. The Department stated that recovery would be effected from the defaulter to the extent of the shortage established against him.

17-12-92: The Committee expressed its dissatisfaction over the shortage/theft of trees and directed the Administrative Secretary that some provision should be made to fix responsibility for the physical verification of trees at the higher level and that this duty should not be left to the lower formation only. The para was kept pending.

16-5-95: The Committee expressed its displeasure over non-compliance of its directive dated 17-12-1992. It was directed that disciplinary action should also be taken against the officer responsible for non-compliance of the PAC directive for 2½ years. Moreover, the recovery should be made before the next meeting. **The para was kept pending.**

63. Para IV(i)-10: Page 77 – Shortage of Stores Rs.227,500

30-12-92: The para was settled subject to verification of recovery by Audit.

16-5-95: The Committee expressed its dissatisfaction in this case as to how 180 trees valuing Rs.227,500 were auctioned for a paltry sum of Rs.15,845. The Administrative Secretary and the Chief Engineer were directed to make a thorough probe into the matter, by associating Audit with the inquiry, and to make recovery accordingly before the next meeting. **The para was kept pending.**

64. Para IV(i)-11: Page 77 – Shortage of Stores Rs.10,704

17-12-92: Accountal of articles worth Rs.10,204 had been verified by Audit and also the cash recovery of Rs.500 for Petromax Lamp from the defaulting Sub-Engineer. **The para was settled.**

65. Para IV(ii)-1: Pages 77-78 – Theft of Stores Rs.72,725

17-11-93: The Department explained to the Committee that five FIRs had been lodged for 19 theft cases pertaining to Tubewell components. The police declared some losses untraceable and in a few cases the culprits had been challaned but were acquitted by the courts. Hence, case for write off had been submitted to the Competent Authority. The Committee did not agree with the explanation tendered by the Department and desired to know whether FIRs had been lodged at one time or on different dates according to thefts and whether action regarding thefts had been taken according to the codal rules. Reports to be submitted in the next meeting of the Public Accounts Committee. The para was kept pending.

12-12-95: The para was settled subject to write off and its verification.

30-7-96: The Department informed the Committee that the case for write off sanction of loss had been sent to Finance Department and decision was awaited. **The para was kept pending** for write off sanction of loss by the Finance Department and verification of the same by Audit.

66. Para IV(ii)-2: Page 78 – Theft of Stores Rs.61,240**Shahpur Division. Rs.14,320**

17-11-93: Audit informed the Committee that Accountal/disposal of the cut trees taken back by the Department had been verified. The item was settled.

Shahpur Division. Rs.6,400

17-11-93: One of the accused responsible for the stolen trees was sentenced to one year's RI, but was acquitted by the Higher Court. Others had gone in an appeal, and the case was sub judice. The item was kept pending.

Kirana Division. Rs.39,400

17-11-93: The cost of trees estimated by Audit was considered to be too high by the Canal Magistrate and, according by revised cost Rs.4,880 recovered from the defaulters. Regarding balance amount and result of the Departmental Inquiry a report should be submitted to the Public Accounts Committee in the next meeting. The item was kept pending.

Sargodha Division Rs.7,520

17-11-93: The Committee was informed that the accused had been Charge Sheeted under E&D Rules and disciplinary action was in process and result would definitely be communicated to the Public Accounts Committee in the next meeting. The item kept pending.

20-12-95: The item was settled subject to the recovery or write off sanction of loss by the Competent Authority and its verification by Audit.

30-7-96: The Department explained that out of the total amount of Rs.61,240 an amount of Rs.23,620 had been recovered leaving a balance of Rs.37,620.

30-7-96: The PAC directed the Department to pursue the matter to recover the balance amount, or get it written off, by the Competent Authority, if it was not possible to recover it.

30-7-96: The item was kept pending for recovery of write off sanction of the balance amount. **The para was kept pending.**

67. Para IV(ii)-3: Page 78 – Theft of Stores Rs.20,753

31-12-92: The Department was making efforts to effect recovery of the balance amount of Rs.2,500. The para was settled subject to verification by Audit.

19-12-95: The Department informed the Committee that full amount had been recovered and its verification by Audit was awaited. **The para was settled subject to verification** of recovery by Audit.

68. Para IV(ii)-4: Pages 78-79 – Theft of Stores Rs.28,800

16-12-92: The Department explained that various FIRs had been lodged with the Police for the theft of wooden *kilas*.

16-12-92: In the Departmental Inquiry Report no one was held responsible. Moreover, the subject for which the *killas* were installed had already been achieved.

16-12-92: In view of the above position, the **para was settled.**

69. Para IV(ii)-5: Page 79 – Theft of Stores Rs.273,500

(i) 18-11-92: The Department stated that inquiry had been finalized. The actual value of stolen trees was Rs.1,20,510. The item was kept pending for recovery.

(ii) 18-11-92: The Department stated that the case of theft of trees was under investigation. The actual value of stolen trees as assessed according to forest schedule was Rs.29,545. The Public Accounts Committee directed the Department that action should be completed and further progress of the case may be intimated in the next meeting of the Public Accounts Committee. The item was kept pending for recovery.

(i) LCC East Zone Rs.61,400

20-12-95: The Committee was informed that recovery of Rs.7,305 had been verified and the balance recovery of Rs.22,249 was being pursued. The total price of stolen trees, as per Forest Department. Formula came to Rs.29,545. The item was settled subject to balance recovery. The PAC also recommended that the forest Department might revise the rates in accordance with the prevailing market prices.

(ii) LCC West Zone Rs.212,000

20-12-95: The Department explained that inquiry had been conducted and as per inquiry report the cost of 57 Nos. trees was Rs.20,566 and not Rs.212,000 as worked out by Audit. The five Officers/Officials were found involved in loss. They were Charge Sheeted but higher Officers did not approve the Charge Sheet. The Charge Sheets were again being sent to the Chief Engineer, Faisalabad for approval.

20-12-95: The PAC was not satisfied and observed that in DAC meeting held in December, 1988 the Department accepted the amount of loss as Rs.1,20,510 and Department was directed to recover the same. The said recovery had not been effected so far. Now the Department was further reducing the amount to Rs.20,566. The Department was further directed to effect complete recovery within two months after reconciling the figures with Audit, besides other penalty on the Officers/Officials responsible under the E & D Rules. **The para was kept pending.**

69. Para IV(ii)-6-i: Pages 79-80 – Theft of Stores Rs.86,800 Out of Rs.99,800

16-12-92: The Department explained that the cases for write off had been initiated. The Committee directed the Department to finalize the matter expeditiously. The item was kept pending.

29-3-93: The Committee was informed that write off had been granted by the competent authorities by splitting up the amount. Audit objected to the splitting up of the amount.

16-12-92: The Committee directed that the Administrative Secretary should ensure that his departmental Officers/Officials were not involved in theft/negligence/fraud before the case was made out for write off.

Subject to the grant of write off by the Competent Authority and its verification by Audit, the item was settled.

31-1-96: The Department explained that write off sanction to the loss had been accorded with effect from 14-1-1996, and adjusted.

The para was settled subject to verification by Audit of the said write off sanction and its adjustment.

70. Para IV(ii)6-ii: Pages 79-80 – Theft of Stores Rs.13,000 Out of Rs.99,800

16-12-92: In a Departmental Inquiry no officer was held responsible for this loss. For the theft of two trees costing Rs.5000 the Court had acquitted the accused while for the other theft of 8 trees costing Rs.8000. The FIR could not be registered while the occurrence took place on 7-1-1987.

16-12-92: Subject to write off sanction by the Administrative Secretary and verification by Audit, the item was settled.

31-1-96: The para was settled. subject to the write off sanction by the Competent

Authority **and its verification** by Audit.

71. Para IV(ii)-7: Page 80 – Theft of Stores Rs.122,000

30-12-92: The Department stated that the cases of theft of trees were pending with the Canal Magistrate. The Committee directed that the action be expedited and progress of the case may be intimated to the Committee in its next meeting. The para was kept pending.

16-5-95: The Department could not explain the latest position of the case. It was directed that the Chief Engineer concerned should personally supervise the cases and finalize them. **The para was kept pending.**

72. Para IV(ii)-8: Pages 80-81 – Theft of Stores Rs.119,000

30-12-92: The para was kept pending, with the direction that the Department should pursue the case vigorously.

16-5-95: The Committee directed that a fresh inquiry should be conducted. The supervisory staff should also be involved in the inquiry. The recovery along with disciplinary action should be completed within two months. **The para was kept pending.**

73. Para IV(ii)-9(i): Page 81 – Theft of Stores Rs.52,250

16-12-92: Partial recovery of Rs.12,000 had since been effected while Deputy Commissioner, Okara had been moved for recovery from private persons as arrears of land revenue.

16-12-92: The Department was directed to pursue the matter vigorously and the item was kept pending.

29-3-93: It was explained to the Committee by Audit that although the Department had stated that recovery of Rs.12,000 had been effected but it had not been got verified by it.

So far as the recovery of Rs.40,250 was concerned, the Department stated that the amount was due from certain private persons and Deputy Commissioner, Okara, had been approached to effect recovery as arrears of land revenue. The Department assured the Committee that antecedents of all the involved persons were available with them.

The Committee directed that the Department should make serious efforts, through personal contact with the Deputy Commissioner, Okara, for recovery of the balance amount. The item was kept pending.

17-5-93: Audit brought to the notice of the Committee that recovery of Rs.12,000 had been verified leaving a balance of Rs.40,250 for which the matter had been taken up with the District Collector, Okara. The Department submitted in its explanation that the amount was due from private persons and their antecedents were available. Therefore, efforts were in progress for recovery of the amount.

The Committee directed that steps should be taken by the Department to avoid the recurring loss due to the theft of trees. The item was kept pending.

31-1-96: The Committee was informed that no progress had been made since the recovery of Rs.12,000 effected previously.

The Committee directed that the District Collector, Okara, should be approached to recover the amount of Rs.40,250 from the defaulters as arrears of Land Revenue with reference to the decision of PAC dated 31-1-1996. **The para was kept pending.**

74. Para IV(II)-9(ii)(iii): Page 81 – Theft of Stores Rs.165,250

17-12-92: The Department explained that the matter pertained to two Divisions. The outgoing Sub-Engineer did not hand over charge and the in-coming Sub-Engineer reported quite late that there was shortage in stores against his predecessor. It was the duty of the Sub-Engineer, who took over charge, to report the shortage against his predecessor immediately. It was further explained that inquiry was being conducted against both the sub-Engineers under the E&D Rules.

17-12-92: The Committee opined that it was not satisfied with the decision of the Inquiry Officers because, invariably, the defaulters were let off on one pretext or the other in the default cases. The Administrative Secretary was directed to entrust enquiries to officers having good reputation. The Department was further directed to finalize the matter within three months. The items were kept pending.

30-12-92: The para pertained to the shortage of trees valuing Rs.1,65,250 in respect of three Irrigation Divisions namely Khanwah, Trimmu Barrage Division and Mailsi Syphon Division. The amount of Rs.24,000 related to Mailsi Syphon Division for which the inquiry was being completed by the Department. The Public Accounts Committee would decide the para in the light of details provided by the Department for other two divisions. The items were kept pending.

Trimmu Division – Rs.89,000

16-5-95: The Department explained that as a result of Departmental proceedings, recovery of Rs.84,000 had been imposed on Muhammad Aslam and Ahmad Ali, Sub-Engineers @ 1/3 of their pay, and the un-traceable theft of trees worth Rs.5,000, would be got written off by the Competent Authority. The items were kept pending for full recovery.

Mailsi Syphon Division Thingi – Rs.24,000

16-5-95: It was brought to the notice of the Committee that in the disciplinary proceedings against the Sub-Engineer concerned, he had been exonerated by the Competent Authority. The Committee expressed its dissatisfaction over the inquiry and directed that a fresh inquiry be conducted against the defaulter as well as against the inquiry officer.

16-5-95: It was further directed that the relevant record and plantation register should be produced to Audit. The Administrative Secretary and the Chief Engineer should make a thorough probe in the matter. **The para was kept pending.**

75. Para IV(ii)-10(i): Page 82 – Theft of Stores Rs.395,026

30-12-92: The amount of Rs.7,000 relating to Rahim Yar Khan Circle had been recovered and got verified by Audit. The item was settled to the extent of Rahim Yar Khan. **The para was settled.**

76. Para IV(ii)-10(ii): Page 82 – Theft of Stores Rs.395,026

30-12-92: The item was kept pending for Departmental Inquiry. The reduction of the amount to Rs.67,200 may be got verified by Audit.

19-12-95: The Department explained that actual loss was Rs.67,200 as got calculated by

the Divisional Forest Officer. The case had been also reported to the police and an inquiry was also conducted in 12/95.

19-12-95: The Public Accounts Committee was not satisfied with the explanation and observed that previously the Department was directed on 30-12-92 to conduct an inquiry which was done on 12/95 just before coming to PAC. It was further noticed by the Committee that the case had just reported to the police and had not been got registered.

19-12-95: These lapses on the part of the Department were viewed seriously by the Public Accounts Committee. The XEN and the Chief Engineer who attended the meeting of PAC on 30-12-92 were quite incompetent towards their official obligation as they did not comply with the directive of PAC. The conducting of inquiry after about eight years of the occurrence of event was quite ridiculous which could not be fruitful at such a belated stage. The PAC directed that SDO and XEN in charge at the time of theft be proceeded against and recovery be imposed upon them. The record pertaining to the reduction of amount from Rs.3,95,026 to Rs.67,000 may be produced to Audit for verification of the facts. Audit should also verify as to what amount of loss had been reported by the SDO at the first instance. **The para was kept pending.**

77. Para IV(iii)-1: Page 82 – Non-accountal of Material Rs.45,509

30-12-92: As the accountal and consumption of material purchased had been verified, the para was settled.

78. Para IV(iv)-1: Page 83 – Un-serviceable material Rs.567,262

17-12-92: The Department explained to the Committee that the matter pertained to the non-auction of unserviceable railway track about seven miles long, at Taunsa. Survey report had been prepared and the store would be disposed of after approval by the Competent Authority. The Administrative Secretary was directed to dispose of the store within three months. The para was kept pending.

19-12-95: The Committee was informed that survey report of the material to be auctioned had been prepared and submitted to the Administrative Secretary for final orders.

19-12-95: The Committee directed that auction should be completed within three months. **The para was kept pending.**

79. Para (V)-1: Page 83 – Misappropriation of Stores Rs.10,900

17-11-93: The Department informed the Committee that inquiry under E&D Rules had been initiated against the official concerned. The para was kept pending.

20-12-95: The Department explained that the XEN concerned had accepted to deposit the shortage in four equal installments. He had deposited the 1st installment of Rs.2,725. **The para was settled subject to balance recovery and verification of the same by Audit.**

80. Para V-2: Pages 83-84 – Loss of Rs.379,057 Due to Misappropriation of Pitching

Stone and Apron

17-11-93: It was explained that the work was allotted in January, 1971. When the work was in progress GIT inspected the site and gave their findings in 1981. Major Penalty was imposed on the XEN and the SDO by stopping two increments of both the Officers. The Sub-Engineer had since retired.

17-11-93: Audit pointed out that final bill was not prepared and the residual stone was removed by the contractor which showed that actually stone was not procured and it was a fake consignment. In June 1981 the work was measured again, apron was rechecked and entries made. The breakage given by the Department was as below:-

Total Carriage of Stone	Rs. 342,741.00
Pitching of Stone	Rs. 73,285.00
Spall	Rs. 54,680.00
Dumping	Rs. 181,144.00
Total:	<u>Rs. 309,209.00</u>

Plus 25% for pitching = Rs.345,644.00

The Chief Engineer was directed to examine:-

- (a) Total estimate.
- (b) How much payment was made.
- (c) Over-all measurement had been made according to rules.

17-11-93: The Committee directed that report be submitted in the next meeting of the Public Accounts Committee. The para was kept pending.

20-12-95: The explanation of the Department was accepted and the para was settled subject to the verification of recovery of Rs.50,000 and record pertaining to consumption of pitching stone costing Rs.309,057 by Audit.

30-7-96: The Department informed the Committee that full recovery had been effected and verified by Audit. **The para was settled** accordingly.

81. Para V-3: Page 84 – Misappropriation of Stores Rs.19,800

17-11-93: Accountal/consumption of stone having been verified by Audit, the **para was settled.**

82. Para V-4: Page 85 – Misappropriation of Stores Rs.207,300

i) Rs.65,000

18-11-92: Material was stated to have been recovered by the police and taken on *Supardari* by the Department. The item was kept pending for verification.

ii) Rs.130,000

18-11-92: The PAC directed that the amount be recovered after fixing the responsibility. A criminal case should also be registered with the Anti-Corruption.

iii) Rs.93,000 & Rs.3,000

18-11-92: Material stated to have been recovered by police was yet to be taken on *Supardari* by the Department and directed that the XEN concerned should also be asked to explain. Kept pending.

Item No.1 Rs.65,000

20-12-95: The Department explained that material worth Rs.65,000 was received by the police and taken over on *superdari*. Audit raised some observation in the verification report of recovered material worth Rs.65,000 which had not yet been attended to by the Department.

20-12-95: The PAC directed the Department to comply with Audit requirement. The item was kept pending.

Item No. 2 – Rs.130,000

20-12-95: The Department explained that Mr. Muhammad Ishaque, Sub-Engineer was held responsible for the shortage and inquiry was under process.

20-12-95: The PAC was not satisfied with the explanation and observed that the defaulter was still in service while he should have been suspended, proceeded against him and recovery effected from his pay. A case should also have been registered with the police. The Department was direct to proceed against the defaulter accordingly. The item was kept pending.

Item No. 3 – Rs.9,300 and Rs.3,000.

20-12-95: The Department explained that the police authorities intimated that material had been recovered and the Department may collect the same on *Supardari*. The concerned XEN was asked to collect the material from the Police. The item was kept pending for recovery of material. **The para was kept pending.**

83. Para V-5: Page 85 – Misappropriation of Stores Rs.98,557

(a) Rs.49,913/88

18-11-92: The PAC directed that payees receipts may be produced to Audit. The para was settled.

(b) 18-11-92: The case of Mirza Aziz Khaliq, was settled as the advance had been cleared by submitting pay rolls and he had also been censured. **The para was settled.**

84. Para V-6: Pages 85-86 – Misappropriation of Stores Rs.1,227,112

16-12-92: The consumption record of the alleged stores had since been verified by Audit and the **para was settled.**

85. Para V-7: Page 86 – Misappropriation of Stores Rs.824,872

16-12-92: Some accountal had been verified at DAC level while an amount of Rs.334,209 was recovered and taken into custody by Anti-Corruption Department but had not yet been transferred to the Irrigation Department.

16-12-92: The Committee decided to keep the para pending until Anti-Corruption case was finally disposed of. The amount of the para shall accordingly stands reduced to Rs.424,672.

29-3-93: The Department explained that stores worth Rs.734,200 had been accounted for and payment vouchers for the balance of Rs.90,672 were available. Subject to verification by Audit, the para was settled.

31-1-96: The Department explained that Rs.334,209 had been recovered by the Anti-Corruption Court and the Department had moved for *Supardari* of the amount. The recovery Rs.4 lac had been verified in the DAC meeting. The balance recoverable was Rs.90,000. Since the SDO concerned had expired, the amount would have to be got written off by the Finance Department. The PAC directed that the recovery so far effected may be got verified by Audit. The case for write off sanction of Rs.90,000 may be moved to Finance Department. **The para was kept pending.**

86. Para V-8: Pages 86-87 – Misappropriation of Stores Rs.91,944

17-12-92: The Committee was informed that rates for stone pitching had been prescribed by the Rates Analysis Committee. Therefore, there was no misappropriation. Explanation of the Department was accepted and the **para was settled.**

87. Para V-9: Page 87 – Misappropriation of Stores Rs.61,800

17-12-92: The Committee was informed that no misappropriation was involved in the matter and the relevant record had been verified by Audit. **The para was settled** accordingly.

88. Para V-10: Pages 87-88 – Misappropriations of Stores Rs.805,166

16-12-92: The job was completed in June 1987 and clause 19 provided that three months maintenance period at no extra cost by the contractor in the event of repair of defective work, hence Audit objected to issue of 86000 Cft stone to the same job in August, and September, 1987.

16-12-92: Ch. Muhammad Ibrahim, XEN of the Department stated that funds were not available and cost had been charged to suspense account.

16-12-92: The Committee directed the Administrative Secretary that the case be examined and a detailed report submitted to the Committee by 30-12-1992. The para was kept pending.

30-12-92: It was stated that the downstream nose portion of spur was badly damaged therefore, the stone apron was made to control the river pressure. For verification of consumption of stone the para was kept pending.

29-3-93: Audit explained to the Committee that these were inter-linked paras pertaining to transportation and that they had been directed by the Public Accounts Committee in their last meeting to submit a note regarding these paras. The Audit produced the note to the Public Accounts Committee.

29-3-93: The Committee observed that consideration of these paras should be deferred till its next meeting for studying the note.

17-5-93: Audit informed the Committee that consumption of stock and availability of stone had been verified but in connection with some other irregularities detected by them. Regarding closing balance/opening, balance/carriage etc. relevant record was required for verification. Subject to verification by Audit, the para was settled.

31-1-96: After hearing the explanation of the Department. The Committee directed to produce all the record, which had been held in connection with some other inquiry to Audit for verification of the facts within a month.

The para was kept pending for verification by Audit.

89. Para V-11: Page 88 – Misappropriation of Stores Rs.11,250

18-11-92: The Administrative Department explained that out of Rs.11,250 involved 80% of the recovery had been effected and efforts were being made to recover the balance amount. The disciplinary action was not possible. **The para was settled subject to verification** by Audit.

Annexure Paras

90. Para 5(1974-75): Page 188 – Serial 2, Outstanding Amount Rs.10, 712

31-1-96: Explanation of the Department was accepted and the **para was settled**.

91. Para 53(2)(1981-82): Page 188 – Serial 3, Excess Payment Rs.13,220

31-1-96: The Committee was informed that recovery of the balance of Rs.13,220 had been effected. **The para was settled subject to verification** of the said recovery by Audit.

92. Para III(8)(1965-66): Page 188 – Serial 4, Shortage of Stores Rs.50,578

31-1-96: The Department explained that accountal of material worth Rs.1,37,000 had been made and got verified by Audit. Thus a balance of Rs.50,578 had been left recoverable. The defaulter from whom the amount of Rs.50,578 was recoverable had retired in 1972. The defaulter moved a case in the Court of Law against the recovery and got a Stay from the Court. The next date of hearing was 4-2-1996.

31-1-96: The Department directed to pursue the case vigorously and try to get an early decision. **The para was kept pending**.

93. Para II(6)(1975-76): Page 188 – Serial 5, Outstanding Amount Rs.31,847

31-1-96: The Department explained that write off sanction to the loss of Rs.31,847 had been accorded by the Finance Department. PAC **settled the para subject to the verification** of write off sanction by Audit.

94. Para 123(i)(1968-69): Page 188 – Serial 6, Outstanding Amount Rs.28,870

31-1-96: The explanation of the Department was accepted and the **para was settled**.

95. Para 206(1967-68): Page 188 – Serial 7, Outstanding Amount Rs.76,494

31-1-96: The explanation of the Department was accepted and the **para was settled** accordingly.

96. Para 51(21)(1975-76): Page 188 – Serial 8, Loss of Rs.8,138 and Theft of Government Cash Rs.4,138

31-1-96: The Department explained that cash recovery of Rs 1,882 had been effected and got verified by Audit. The Department was directed to get the balance amount written off by the Competent Authority.

31-1-96: Subject to the sanction of write off by the Competent Authority and its verification by Audit, the **para was settled.**

97. Para 56(22)(1963-64) Page 188 – Serial 9, Outstanding Rs.256,063

31-1-96: The Department explained that the para had been reduced to Rs.2,54,063. A criminal case was under trial and a write off case was moved to the Finance Department. The Finance Department returned the case back with the remarks that the court may decide the criminal case. Therefore, after the decision of the court a write off case may be submitted to Finance Department.

31-1-96: The Committee directed that latest details of the case should be submitted to it in next meeting. **The para was kept pending.**

98. Para 108(3)(1970-71): Page 188 – Serial 10, Outstanding Amount Rs.51,494

31-6-96: The Department explained that recoveries were being effected from the salaries of the defaulter as per rules and at present the recoverable amount stood at Rs.32,345.

31-1-96: The Committee directed that the Department should be vigilant about the balance recovery and if any defaulter was due for retirement in the near future then recovery should be effected from his Gratuity, Pension, etc. **The para was kept pending** for complete recovery.

99. Para 13(1975-76): Page 189 – Serial 11, Outstanding Amount Rs.448,94

31-1-96: After considering the explanation of the Department the PAC **settled the para subject to the completion of recovery** and verification of the same by Audit.

100. Para 54(3)(1980-81): Page 189 – Serial 12, Outstanding Amount Rs.11,471

31-1-96: The Committee was informed that the recovery of Rs.11,000 had been made from the widow of the defaulter and verified by Audit. **The para was settled.**

101. Para 51(12)(1981-82): Page 189 – Serial 13, Outstanding Amount Rs.29,328

31-1-96: The Department explained that write off sanction of the loss had since been accorded by the Competent Authority. The same was also got verified by Audit. **The para was settled.**

102. Para 51(2)(1981-82): Page 189 – Serial 14, Outstanding Amount Rs.231,300

31-1-96: The Committee was informed that the defaulter had been censured and a case for the write off had been submitted to the Finance Department. **Subject to the**

sanction of write off and its verification by Audit, the para was settled.

103. Para 98(2)(1982-83): Page 189 – Serial 16, Outstanding Amount Rs.100,715

31-1-96: The Department explained that the tubewell operators responsible for the theft of spare parts had been dismissed but they approached the Labour Court which had decided that they should be re-instated. No financial benefit was paid for dismissal period.

31-1-96: The PAC directed that position of non-payment of financial benefit for the dismissal period may be got verified by Audit. If the payment for the dismissal period was made then the recovery of loss may be made good from them. **The para was kept pending.**

104. Para 108(1982-83): Page 189 – Serial 17, Outstanding Amount Rs.9,493

31-1-96: On the assurance of the Department that, in future, Income Tax would be deducted at source, the **para was settled.**

105. Para 116(8)(1965-66): Page 189 – Serial 19, Outstanding Amount Rs.6,901

31-1-96: Explanation of the Department was accepted and the **para was settled.**

106. Para 111(xxi)(1965-66): Page 189 – Serial 20, Outstanding Amount Rs.159,720

31-1-96: The Committee was informed that balance of Rs.5,176 had since been recovered. **The para was settled. subject to the recovery** of balance amount within one month and its verification by Audit.

107. Para 17(a)18(i)(1958-59): Page 190 – Serial 23, Outstanding Amount Rs.74,988

19-12-95: The Department informed the Committee that after verification by Audit the para had been reduced to Rs.74,988 and further progress was as under:-

(i) Recovery of Rs.11,364 had been effected from the defaulting Sub-Engineer. The item was settled subject to verification of record by Audit.

(ii) **Rs.7,483/64.**

19-12-95: The relevant record was available with the Department and would be produced to Audit for verification. Subject to verification by Audit, the item was settled.

(iii) **Rs.56,140**

19-12-95: The shortage pertained to the pre-partition period and, therefore, it was not possible to recover the amount. The explanation was accepted and the **para was settled.**

108. Para 111(10)(1965-66): Page 190 – Serial 24, Shortage of Material Rs.242,119

19-12-95: The case being very old and the explanation of the Department was

accepted, the **para was settled.**

109. Para 112(1970-71): Page 190 – Serial 25, Outstanding Amount Rs.2,162,656

19-12-95: The Department informed the Committee that Rs.7,073,413 had been recovered and verified by Audit leaving a balance of Rs.2,162,656. **The para was kept pending** for recovery of the balance amount.

110. Para 89(1972-73): Page 190 – Serial 26, Outstanding Amount Rs.696,535

19-12-95: The Department informed the Committee that the material was transferred to MPO and the MPO had since been Liquidated. The Government had appointed Mr. Usman Ali Shah Afridi of Ministry of P & D, Government of Pakistan, as Liquidator. Accordingly, the claim was sent to him and he had decided against the Department. An appeal against the decision of the Liquidator, made by the Department, had been admitted by the Lahore High Court. At present, the case was sub judice. **The para was kept pending.**

111. Para 90(1972-73): Page 190 – Serial 27, Outstanding Amount Rs.2,574,451

(i) **19-12-95:** The Department explained that stores worth Rs.1,408,991 had been issued and stores worth Rs.800,000 were lying with it. The item was settled subject to verification by Audit.

(ii) **19-12-95:** The Department was directed to auction the balance surplus material. The item was settled subject to auction and its verification by Audit. **The para was settled subject to verification.**

112. Para 96(4)(1982-83): Page 190 – Serial 28, Outstanding Amount Rs.213,720

19-12-95: The Department explained that the claim of the Department had been verified and approved by the Irrigation & Power Department, Government of Sindh. Anyhow, the recovery had not yet been materialized for which the Government of Sindh was constantly being requested. **The para was kept pending** for the recovery of government dues.

113. Para 96(3)(1982-83): Page 190 – Serial 29, Outstanding Amount Rs.123,881

19-12-95: The explanation of the Department was accepted and the **para was settled.**

114. Para 112(xxii)(1965-66): Page 190 – Serial 30, Outstanding Amount Rs.11443

31-1-96: The Department explained that the Tehsildar, Lahore Cantt., had been approached to recover the amount as arrears of land revenue from the contractor.

31-1-96: The Committee directed that either recovery may be effected or case may be moved for write off sanction. The matter should be pursued vigorously for recovery or write off sanction, as the case may be. **The para was kept pending.**

115. Para 100(i)(1982-83): Page 190 – Serial 31, Outstanding Amount Rs.104,288

31-1-96: Audit apprised the PAC that even after the verification the position had remained unchanged and recoverable amount was correctly calculated as Rs.104,288.

The para had also been discussed in the DAC meeting held in 1983 and which was not satisfied with the explanation of the Department.

31-1-96: The Department was directed to effect recovery of the amount from the Officers/Officials responsible for the overpayment within three months. **The para was kept pending.**

116. Para 51(13)(1981-82): Page 190 – Serial 32, Outstanding Amount Rs.27,670

31-1-96: The Department explained that recovery of the price of 13,524 bricks, at the rate of Rs.70 per thousand, had been effected and the balance amount was not recoverable.

31-1-96: The Committee accepted the explanation of the Department in respect of the balance amount and the **para was settled.**

117. Para 111(22)(1965-66): Page 190 – Serial 33, Outstanding Amount Rs.78,587

17-12-92: The Department explained to the Committee that two officials were involved in the case and both of them had been compulsorily retired under MLR 114. As this was a Major Punishment, therefore, recovery could not be imposed on the retired officials. In one case write off sanction had been granted by the Competent Authority and a second case for write-off had been submitted to the concerned quarter. The para was kept pending.

19-12-95: The Department explained that Sub-Engineer from whom the recovery was due had expired and write off case had been sent to Finance Department which was yet awaited.

19-12-95: The Public Accounts Committee was apprised that Secretary Finance Department had asked all the Departments to decide all such write off cases by holding a meeting with Finance Department.

19-12-95: The Public Accounts Committee directed the Department to hold a meeting with Secretary Finance Department to decide all the write off cases. **The para was kept pending.**

118. Para 52(3)(1981-82): Page 190 – Serial 34, Outstanding Amount Rs.34,387

17-12-92: It was brought to the notice of the Committee that out of a total amount of Rs.56,584, recovery of Rs.22,197 had been effected leaving a balance of Rs.34,387. The Department admitted the wrong payment to the contractor and committed to recover the amount from the contractor who was still working in the Department at Muzaffargarh, Punjab. The Committee directed that recovery should be effected from the contractor before the next meeting of the Public Accounts Committee. The para was kept pending.

19-12-95: The Department explained that balance recovery had since been made. The Committee **settled the para subject to verification** of record by Audit.

Working Papers not submitted

119. Para 110 (1970-71): Page 189 – Serial 22, Outstanding Amount Rs.8,947
120. Para 50(19) (1981-82): Page 189 – Serial 21, Outstanding Amount Rs.22,460
121. Para 84(12) (1972-73): Page 189 – Serial 18, Outstanding Amount Rs.30,463
122. Para 97(16) (1982-83): Page 189 – Serial 15, Outstanding Amount Rs.15,690
123. Para 68 (1971-72): Page 188 – Serial 1, Outstanding Amount Rs.8,000

Lahore High Court, Lahore

Overview

Total Paras	Civil
2	2

Abstract

Status	Decision	Para Nos.	Total	Page
Paras Conditionally Settled 1	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Civil: 1.2.1	1	
Paras Pended 1	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: Annexure Para: 40	1	

Discussed on 17 May 1993.

(Civil Audit)

1. Para 1.2.1: Page 143 – Fine Realized by the Court of Additional District and Sessions Judge Rs. 71,000

(i) Rs. 6,500

17-5-93: The Department explained that the amount of Rs. 6,500 was duly deposited into Government Treasury and receipted challans were available with the Department. This para was settled.

(ii) Rs. 64,500

17-5-93: The Department explained that all the accused persons had been acquitted by the court excepting one who had deposited a sum of Rs. 2,500 at the jail gate which had been verified by the concerned Divisional Accounts Officer. Audit wanted to see the acquittal orders. The Committee directed the Department to produce the acquittal orders to

Audit for verification. **The para was settled subject to verification.**

Annexure Para Working Papers not submitted

2. Para 40 (1980-81): Page 249 – Serial 51, Fake Payments Rs.17,107

Livestock and Dairy Development Department

Overview

Total Paras	Civil	Commercial
45	21	24

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Noted 11	The paras were noted as no further action was required either because they were of descriptive nature or contained Accounts and departmental financial reviews.	Commercial: 3(xxvi), 3(xxvii), 143, 144, 145, 146, 147, 148, 149, 150, 151.	11	
Paras Finally Settled 25	Paras finally settled as the requisite action had been taken.	Civil: 16.2.1(1), 16.2.1(2), 16.2.2, 16.2.3(1), 16.2.3(2), 16.2.4(1), 16.2.6, 16.3.1, 16.3.2, 16.3.3, 16.5.2, 16.5.3, 16.6.1, 16.7.1, 16.7.2(1), 16.7.2(2), 16.7.3(1), 16.7.3(2) Commercial: 14, 15, 138, 140, 141, 142 Performance Audit Report: 19.	18 6 1	
Paras Conditionally Settled 1	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Civil: 16.5.1	1	
Paras Pended 8	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 16.2.4(2), 16.2.5 Commercial: 13, 134, 135, 136, 137, 139.	2 6	

**Discussed on 30 March, 16 July 1992, 16 January 1995,
22 October 1996 and 23 May 2002.**

(Civil Audit)

1. Para 16.2.1(1): Page 166 – Misappropriation of Crops Rs.274,705

(i) **30-3-92:** Both the certificates issued by Revenue Authorities in support of non-yield of Gram/Gowara Crops in the sandy area of Rakh Mahni, District Bhakkar, had been verified by Audit and the item was settled.

(ii) **30-3-92:** Sanction to write off the loss of seed used was still pending with the Finance Department. The item was kept pending.

16-1-95: The Committee was informed that the loss of Rs.274,705 was not due to any misappropriation but actually the quality of soil was not upto the mark. Certificates had been issued by the Revenue Department certifying the non-yield of Gram/Gowara in the sandy area of Rakh Mahni, District Bhakkar. The loss had been written off by Finance Department and verified by Audit. **The para was settled.**

2. Para 16.2.1(2): Page 166 – Misappropriation of Crops Rs.33,280

30-3-92: Non-yield certificate of crops and write off sanction of the loss of seed had been verified by Audit. **The para was settled.**

3. Para 16.2.2: Pages 166-167 – Misappropriation of Stock Articles Rs.34,600

(i) **30-3-92:** The Committee observed that electric motor with pump purchased for Rakh Mahni had been transferred to Rakh Ghulaman due to non-availability of electric supply at Rakh Mahni. The Committee observed that non-availability of electric supply should have been taken into consideration, while preparing PC-I.

The Committee directed the Department to hold an inquiry into the matter and fix responsibility for preparing unrealistic PC-I and the inquiry report be produced in the next meeting.

The Committee further directed that in the meanwhile, Audit should perform physical verification of the said stores.

(ii) Entries of item worth Rs.1,964.50 having been verified by Audit, this item was settled.

(iii) Recovery of Rs.482.50 having been verified by Audit, this item was settled.

16-1-95: The Department explained that the stock articles in question had been shifted from one venue to the other. Therefore, there was no misappropriation of stock. **The para was settled.**

4. Para 16.2.3(1): Page 167 – Shortage of Stores Rs.58,969

30-3-92: The Department explained that as a result of disciplinary proceedings the recovery of full amount of Rs.58,969 and down-gradation by one step had been imposed on the Store Keeper. Recovery of Rs.26,258 had since been verified by Audit. Recovery of the balance amount was being made from the pay of the official. The Stores Officer had also been censured. Subject to recovery of the balance amount, the para was settled.

16-1-95: It was explained that full recovery of the amount of Rs.58,969 had been effected. Recovery of the amount had been imposed on the Store-Keeper which was a major penalty. Mr. Feroze Shah, an Officer of BS-18, had been censured. Verification having been done by Audit, **the para was settled.**

5. Para 16.2.3(2): Page 167 – Shortage of Store Articles Rs.13,764

30-3-92: The Department was directed to thoroughly re-examine the case and submit a detailed report in the next meeting.

16-1-95: The Committee was informed that full recovery of the amount of Rs.13,764 had been effected and verified by Audit. As a punishment, the defaulter had also been censured. **The para was settled.**

6. Para 16.2.4(1): Pages 167-168 – Misappropriation of POL Rs.9,736

30-3-92: The log book entries having been verified by Audit, **the para was settled.**

7. Para 16.2.4(2): Page 168 – Misappropriation of POL Rs.88,027

(a) **30-3-92:** The Committee directed the Department to submit a comprehensive report about the history sheet of the vehicle.

(b) **30-3-92:** The Committee directed the Department to re-examine whether the Director General was competent to authorise private use of the Government Vehicle.

(c) **30-3-92:** The item was kept pending for re-examination by the Department of the history sheet of the vehicle.

(d) **30-3-92:** The recovery of Rs.439.81 having been verified by Audit, the item was settled.

(a) **16-1-95:** The Department explained that consumption of the vehicle was within the prescribed limits i.e. 9 km per litre. The Committee was of the view that said vehicle being new, should have covered at least 12 km per liter. Therefore, the vehicle was used for private purpose and to cover all the private use less average consumption had been fixed.

The Department explained that less mileage per litre was due to the bad road conditions.

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

(b) **16-1-95:** The Department explained that Rs.7,952 had been recovered as the cost of private journey and verified by Audit. The item was settled.

(c) **16-1-95:** Average mileage certificate issued by the Assistant Agriculture Engineer was verified by Audit. The item was settled.

(d) **16-1-95:** The item had already been settled by Public Accounts Committee in its meeting held on 30-3-1992. **The para was kept pending.**

8. Para 16.2.5: Page 168 – Consumption on Account of POL, Medicines, Livestock not Maintained Rs.195,061

(a) **30-3-92:** The Committee directed the Department to submit a detailed note along with complete record of this item in the next meeting.

(b) **30-3-92:** The Committee directed the Department to submit a detailed note along with complete record of this item in the next meeting.

(c) **30-3-92:** The explanation of the Department was accepted and the item was settled.

(d) **30-3-92:** The record having been verified by Audit, the item was settled.

16-1-95: The Committee was not satisfied with the comments of Audit. It was observed that previously Audit had remarked that the scrutiny of log books of vehicles with the POL stock register revealed the irregularity – but in the latest comments it was stated that “Log Books which were not shown at the time of Audit had been verified.” Obviously, there was contradiction in these comments keeping in view the contradiction of Audit comments.

The Committee directed that record may be scrutinized by Director Audit, Punjab. As such Mr. Imran Qazi, Director Audit entrusted with the assignment. **The para was kept pending.**

9. Para 16.2.6: Page 169 – Amount Realized on Account of Sale of Birds not Deposited/ Less Deposited into Treasury Rs.28,647

30-3-92: The entire actual recoverable amount of Rs.28,647.26 on account of birds and eggs had been recovered and verified by Audit. **The para was settled.**

10. Para 16.3.1: Page 169 – Doubtful Expenditure Rs.24,472

30-3-92: The record having been verified by Audit, the **para was settled.**

11. Para 16.3.2: Page 170 – Less Numbers of Imported Cows Received Rs.779,187

30-3-92: The Department was directed to re-examine the matter afresh and submit its comprehensive report in the next meeting with particular reference whether the deal was on FOB or CIF basis or per head basis and what steps the Department had taken to recover the excess payment, if any. the para was kept pending.

16-1-95: The Department explained that the supply and transportation of cows was entrusted to the same contractor under one contract. The Department was bound to purchase 200 cows but only 186 animals were purchased. The air-freight booking was made by the contractor much before the actual purchase of animals on the assumption that 200 cows would be purchased and, therefore, it was not possible for him to change the arrangements for transportation of 200 cows. Therefore, there was deviation from both sides. The contractor could claim compensation for less purchase of 14 cows, while the Government could claim for the refund of air-fare of 14 cows. The Department admitted that the contract was defective but affirmed that there was no loss to Government. **The Committee settled the para.**

12. Para 16.3.3: Page 170 – Payment to the Contractor Without Work Rs.82,000

30-3-92: The Department was directed to re-examine the matter and submit its comprehensive report in the next meeting by detailing events in its sequence from the stage of

tender notice to the completion of the project.

The Department was also directed to provide a complete set of documents to the Chairman, Public Accounts Committee No. II.

16-1-95: The Department explained that the construction of the shed was done departmentally to save Government money and the payment of Rs.82,000 as claimed in the para, was never paid to any contractor. As per later Audit verification, the original para was incorrect. **The para was settled.**

13. Para 16.5.1: Page 171 – Loss Due to Death of Imported Cows Rs.1,753,419

30-3-92: It was reported that write off case is pending with the Finance Department and the mortality of the animals was due to acclimatization problem. The Department further stated that it will forward inquiry and post-mortem reports to the Finance Department for finalization of the case. The para was kept pending until decision by Finance Department.

16-1-95: The Department explained that case for write off sanction was under process with Finance Department. **The para was settled subject to write off** sanction by Finance Department and verification of the same by Audit.

14. Para 16.5.2: Page 171 – Loss Due to Import of Infertile Cows Rs 244,206

30-3-92: The record having been verified by Audit, the **para was settled.**

15. Para 16.5.3: Page 172 – Loss Due to Death of 99,983 Birds During 30 Months Rs.349,940)

30-3-92: The Public Accounts Committee accepted the explanation of the Department with regard to the high mortality of the chicks during the particular time and the **para was settled.**

16. Para 16.6.1: Page 172-173 – Un-economical Repair of Jeep Rs.120,564

30-3-92: The position having been verified by Audit, the **para was settled.**

17. Para 16.7.1: Page 173 – Heavy Expenditure in Anticipation of Receipt of Bulls Rs.1,920,932

30-3-92: Audit had verified the record. **The para was settled.**

18. Para 16.7.2(1): Page 174 – Infructuous Expenditure on Daily Paid Labor Rs.1,270,696

30-3-92: The Department was directed to re-examine the whole matter afresh and give year-wise detail of regular establishment and the contingency establishment from 1981-82 to 1986-87 with full justification for employing the contingency staff.

16-1-95: The Committee was informed that the expenditure of Rs.1,270,690 was within the budgetary provision and its verification had also been done by Audit. Finance Department, however, did not feel satisfied with the engagement of labour on daily wages basis because of inherent chances of corruption in this system. It was suggested that the lumpsum grant should be minimized and necessary posts should be regularized instead of engaging workers on daily wages. The Committee directed that the number of employees on daily wages should be minimized and to avoid the policy of consuming the grant in full. Regular strength may be

increased with the approval of Finance Department. **The para was settled**, with the above observation.

19. Para 16.7.2(2): Page 174 – Loss to Government Rs.82,056

30-3-92: The explanation of the Department was accepted and **the para was settled**.

20. Para 16.7.3(1): Page 174-175 – Outstanding Dues on Account of Birds Supplied to other Farms Rs.56,183

30-3-92: The recovery of Rs.53,336.50 and write-off of the balance of Rs.2,446.50 had been verified by Audit. **The para was settled**.

21. Para 16.7.3(2): Page 175 – Non-Recovery of Government Revenue on Account of Sale Proceeds Rs.38,341

30-3-92: Subject to total recovery and verification by Audit, the para was settled.

16-1-95: The full amount had been recovered and verified by Audit. **The para was settled**.

(Commercial Audit)

1. Para 13: Page 20 – Blockade of Funds Due to Un-planned Purchase of Tankers Rs.2.8 Million

16-7-92: Audit brought to the notice of the Committee that out of 12 tankers purchased by the Board, four were lying idle and their condition was deteriorating due to storage in an open yard. The Committee directed that the tankers should have been disposed of since they were not in use. The Board contended that the said tankers were not disposed of separately because the entire machinery had to be disposed of in a package deal. It was further explained that the Board was preparing a summary for this purpose for submission to the Chief Minister. The Committee directed that copies of the evaluation report, along with the summary to the Chief Minister should be supplied to Public Accounts Committee. The para was kept pending.

22-10-96: The Department explained that out of 12 tankers purchased in 1983 and eight tankers were put into operation while four workers remained idle only parked in an open yard. However, a summary was submitted to the Chief Minister for seeking decision about the disposal of said idle machinery. The Cabinet decided to recommission the Milk Plant in association with Idara-e-Kisan as a joint venture with 65% of the profit to the Government and 35 % to the Idara-e-Kisan and the whole project will remain under the supervision of the Government. The case of recommissioning the plant would be completed within a month.

The Public Accounts Committee directed that the matter regarding recommissioning of the plant may be finalized without any further loss of time. **The para was kept pending**.

2. Para 14: Page 20 – Non-Recovery of Water Charges from the Civil Works Contractor Rs.91,989

16-7-92: The para pertained to the non-recovery of Rs.91,989 as water charges and some other amounts electricity charges from the civil works contractor. The Board explained that an Inquiry Committee, had been constituted to enquire into the observation of Audit and to submit a report within a fortnight, vide order dated 9.7.1992. Explaining the delay in the

constitution of the Inquiry Committee, the Board stated that the previous management had been engaged in prolonged negotiations about the case and therefore it was not a mala fide delay. The Committee directed the Department to determine why the action was not initiated earlier and also to fix individual responsibility for faulty contract which resulted in undue aid to the contractor. It was further directed that Board should inform the Public Accounts Committee whether the counter-claim had been raised against the contractor who was understood to have filed a suit in the court for recovery of certain claims. Audit opined that apparently the case seemed to be time-barred and, therefore, prospects of recovery should also be indicated. The Board requested for 10 days time to submit the required information. The Committee acceded to their request and directed that final result of the inquiry, including the required information, should be submitted to it within 15 days. The para was kept pending.

22-10-96: The Department informed the Committee that as per directive of PAC an inquiry was conducted and according to the inquiry report the Contractor did not consume water and electricity at Government expense and, therefore, no loss was sustained to the Government.

The Committee observed that it was a time barred case without any hope of recovery as per findings of the inquiry report. Therefore, the **para was settled.**

3. Para 15: Page 21 – Theft of Trees by Pattedars Rs.79,400

16-7-92: Audit pointed out that the case had been delayed for more than six years and the result of the belated inquiry had not been supplied to it as to who had been held responsible for the negligence. The Department explained that result of the inquiry showed that the Pattedars uprooted the trees without permission of the Competent Authority and obtained these trees illegally. The Inquiry Committee, held under E & D Rules, fixed recovery at the rate of three-fourth from the Pattedars and one-fourth from the staff held responsible for this negligence. It was further brought to the notice of the Committee that the Project Manager sanctioned uprooting of the trees without obtaining permission from the Director General, Livestock, who was the Competent Authority. The Committee directed that the manager should be made to pay the amount because he was responsible for this loss. A copy of the Inquiry Report should be supplied to Public Accounts Committee, as well as to Audit, by day-after- tomorrow with the comments of the Director General whether he agreed with the report or not. The para was kept pending.

22-10-96: The Department stated that the actual recoverable amount was Rs.66,910 and not Rs.79,400 as worked out by Audit. Further, an amount of Rs.3,050 had been exempted being the cost of trees already received from the tenants. The remaining amount of Rs.63,860 had been recovered and verified by Audit. The explanation of the Department was accepted and the **para was settled.**

Performance Audit Report on Punjab Livestock Project, Sheikhupura

4. Para 19: Page 27 -- Performance Audit Report

16-7-92: After considering the comments of Audit contained in Audit Report, the

Committee recommended that:-

- 1) the surplus staff in the Plant should be absorbed elsewhere –
 - 2) assessment of the plant should be conducted for its disposal –
 - 3) evaluation should be purely of plant and the land should not be included in it –
 - 4) twenty employees still working in the plant were considered more than necessary.
- Therefore, this number should also be decreased.

The Committee emphasized that, while evaluating the Plant, the cost of land should not be included. Only the machinery should be disposed of.

The Department requested for one month's time to do the needful. The Committee acceded to the request of the Board and directed that a copy of the assessment should be supplied to it and also to Audit within the stipulated period.

22-10-96: The Committee was informed that as per previous decision of the Committee, the Board had already reduced the staff either by sending them in the surplus pool of S&GAD or on golden shakehand scheme. The Milk Plant was being revived with sharing by the private sector. The explanation of the Department was accepted and the **para was settled.**

Punjab Dairy Corporation, Lahore

5-7. Paras 134-136: Pages 247-248 – Working Results

16-7-92: Audit pointed out that total losses till 30th June, 1990, amounting to Rs.113,900,000 and those losses could only be regularized by the Competent Authority. The Board submitted that the Finance Department was the only authority to condone these losses and a case had already been submitted to the FD. The Board admitted that the 27 employees currently working in the Plant were drawing about Rs.90,000 as monthly salaries. The Committee directed that the staff should be minimized. The para was kept pending.

22-10-96: The Department explained that due to adding up of interest on loans the amount of losses had been enhanced. However, in the light of the previous directives of the PAC, the case had been referred to the Finance Department for write off sanction of the said losses. The staff of the Punjab Dairy Corporation had also been reduced from 27 personnel to 10 personnel.

The Committee **kept the para pending** and directed the Department that the case for write off sanction of the Losses by the Finance Department may be got finalized at the earliest.

8. Para 137 Page 248 - Non-maintenance of Outstanding Debts

16-7-92: It was brought to the notice of the Committee that the Corporation did not reflect the transaction correctly in its accounts. As such, receivables and payable had not been calculated and it was apprehended that the outstanding debts will not be paid to the Corporation. The Committee directed that standing instructions should be issued by the Board that deduction of the amount due to them should be made from the dues payable to the various agencies by the Board. The Committee further directed that final statement of recoveries and payment should be calculated showing the receivables and payable to each agency separately. The Board was also directed to approach the concerned authorities to finalize the matter. In the

meeting of the Home Department, a representative each of the Board and the Health Department should participate. In reply to Audit's objection, the Board informed the Committee that accounts for the years 1990-91 had been prepared and would be made available. The para was kept pending.

22-10-96: The Department explained that there were three categories of defaulters. Firstly, the Government Departments (Health Department and Jail Department), secondly, the employees of the Board to whom different kinds of advances were granted and thirdly the private distributors. The Government departments were being pursued to pay back the dues outstanding against them. The amounts recoverable from the employees, given golden shake-hand or placed on surplus pool, would be recovered while making the final payments to them. The cases of the private distributors were also being followed up actively.

The Director, Commercial Audit, pointed out that it would be worth consideration that the fate of the amount of Rs.700,000 was quite uncertain as all the relevant record pertaining to the said amount was lost and could not be traced.

The Committee showed deep concern over the indifference of the Department towards the losses of Government money and half hearted efforts made for the recovery of the same. The Committee observed that according to the basic business practice the private distributors were to be appointed after having sufficient security deposits and Indemnity Bonds. It was not known whether these precautions were observed or not. Previously the matter was considered by the PAC on 16.7.92 and despite the lapse of four years the position was the same without any progress.

The PAC directed that the matter regarding the loss of record involving the amount of Rs.700,000 may be enquired into and person responsible for the said loss of record may be proceeded against. Criminal case may also be registered against the defaulters. The PAC also directed that recovery of Government money should be materialized by taking personal interest without further loss of time. **The para was kept pending.**

9. Para 138: Page 248 – Irregular Adjustment of Loans

16-7-92: Audit informed the Committee that the Board had complied with its instructions and showed the receivables and payables separately. Therefore, the para was recommended for settlement. The Committee **settled the para** on the recommendation of Audit.

10. Para 139: Page 249 – Unauthorised Adjustment of Grants

16-7-92: The Board explained to the Committee that the case for adjustment of different grants/aids from the accumulated losses had been submitted to the Finance Department for regularization. The para was kept pending.

22-10-96: The Department explained that the case for regularization of the adjustment of different grants/aids from the accumulated losses had been submitted to the Finance Department and its decision was awaited.

The representative of Finance Department desired to know the No. and date of the said reference made by the Department to the Finance Department, but the Department could not provide the No. and date of the same.

The PAC viewed seriously the poor performance of the Department and observed that even after the lapse of more than four years the position was the same without any progress.

The PAC also directed the Department to pursue the regularization case with the

Finance Department and get the same finalized within two months. **The para was kept pending.**

11. Para 140: Page 249 – Unjustified Accrual of Interest

16-7-92: Basis of the accrual of interest affecting the financial position having been verified by Audit, the **para was settled.**

12. Para 141: Page 249 – Non-accountal of Interest

16-7-92: Adjustment of the interest, according to procedure, having been made by the Board, the **para was settled.**

13. Para 142: Page 250 – Loss Due to Returns of Sale

16-7-92: Explanation of the Board was accepted and the **para was settled.**

Local Government and Rural Development Department Overview

Total Paras	Civil
9	9

Abstract

Status	Decision	Para Nos.	Total	Page
Paras Finally Settled 7	Paras finally settled as the requisite action had been taken.	Civil: 15.2.1(1), 15.2.1(2), 15.3.1(1), 15.3.1(2), 15.3.1(3), 15.3.1(4), 15.6.1.	7	
Paras Pended 2	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 15.2.2, 15.4.1.	2	

Discussed on 17 May 1993.

(Civil Audit)

1. Para 15.2.1(1): Page 162 – Likely Misappropriation Rs. 11,322

17-5-93: As supporting vouchers had been verified by Audit, the **para was settled.**

2. Para 15.2.1(2): Page 162 – Likely Misappropriation Rs. 6,737

17-5-93: The record had been verified by Audit. **The para was settled.**

3. Para 15.2.2: Pages 162-163 – Misappropriation of Stores/Stock Rs. 7,909

17-5-93: Audit and the Finance Department were of the opinion that, actually, stationery

articles had not been purchased by the Department but stock entries were made in the register.

The Committee did not agree with the explanation tendered by the Department and directed that proper inquiry should be held in the matter keeping in view the likelihood of misappropriation. **The para was kept pending.**

4. Para 15.3.1(1) Page 163 – Excess Payment of T.A/D.A. Rs. 6,583

17-5-93: The record having been verified by Audit, the **para was settled.**

5. Para 15.3.1(2): Page 163 – Excess Payment of T.A/D.A. Rs. 10,019

17-5-93: Verification of TA Bills having been done by Audit, the **para was settled.**

6. Para 15.3.1(3): Page 163 – Excess Payment of T.A/D.A. Rs. 8,448

17-5-93: Verification of record having been done by Audit, the **para was settled.**

7. Para 15.3.1(4): Page 163 – Excess Payment of T.A/D.A Rs. 5,294

17-5-93: As the entire amount of Rs. 5,294 had been deposited into Government Account and verified by Audit, the **para was settled.**

8. Para 15.4.1: Page 164 – Non-accountal of Cash Book Rs. 8,748

17-5-93: Audit informed the Committee that cash book entries with payment schedules and vouchers had not been verified by Audit. **The para was kept pending** for verification by Audit.

9. Para 15.6.1: Page 164 – Irregular Purchase of Urdu Typewriters Rs. 200,000

17-5-93: Audit explained to the Committee that 20 Urdu Typewriters had been purchased by the Services, General and Information Department and supplied to the Department which were lying there for the last three years without being utilized. The Department explained that the objection of Audit was not correct because 15 typewriters had been issued to it which were being used in different sections.

Audit was not satisfied with the explanation of the Department and opined that the SG & I Department might be asked about the result and progress made in the purchase of typewriters at a cost of about rupees one crore. The Finance Department termed it a wasteful expenditure but stated that the entire matter should have been seen vis-à-vis national interest. The Administrative Secretary assured the Committee that all the typewriters were being used. Explanation of the Department was accepted and the **para was deleted from here.**

The Committee, however, directed that the SG & I Department may give justification for purchase of Urdu Typewriters since the year 1973-74 and also give their performance.

Preface

Under the Constitution of the Islamic Republic of Pakistan, the disbursement from the Provincial Consolidated Fund requires approval by the Provincial Assembly of the Punjab. While authorizing huge sum of the tax-payers' money, the Assembly has a right to reassure itself that the moneys so granted were steered to the intended purpose and were spent prudently and in accordance with law/rules. The Assembly oversees expenditure through its Public Accounts Committees, on the basis of Appropriation Accounts, Finance Accounts and Audit Reports prepared by the Auditor-General. The said reports are laid in the Assembly under orders of the Governor.

2. As a rule, no money can be spent on any service over and above the money granted by the Assembly for the purpose. Excess expenditure, if any, is viewed seriously. The Committees examine with reference to the facts of each case the circumstances leading to any excess expenditure, and make appropriate recommendations.
3. As required under Article 171 of the Constitution of Islamic Republic of Pakistan, Appropriation Accounts and Finance Accounts of the Government of the Punjab and Reports of the Auditor-General of Pakistan for the year 1987-88 were laid before the Provincial Assembly of the Punjab on 28 June 1990; and, were referred to Public Accounts Committee-II (PAC-II) for consideration and report. The Committee was, however, constituted on 21 March 1991. It consisted of Sardar Ashiq Hussain Khan Gopang (*Chairman*), Raja Nasir Ali Khan, Malik Mukhtar Ahmed, Chaudhry Shafqat Abbas, Malik Ahmad Ali Aulakh, Haji Ghulam Haider Khan Khichi, Malik Mukhtar Ahmad Awan, Mr Muhammad Anwar Ali Khan Baloch and Malik Iqbal Ahmad Khan Langarial. These, along with the Reports of former and succeeding years, remained under consideration of different Public Accounts Committees (PACs) from 1991 to 1999.
4. The Reports were initially examined by PAC-II on 16 May 1991. The same, along with other pending Reports, remained under consideration of the said Committee till 18 July 1993 when the Assembly was dissolved, and with that the Committee also ceased to function.
5. The unfinished work was taken up by the successor PAC-II, constituted on 26 June 1994. It consisted of Mr Muhammad Arif Chatha (*Chairman*), Mian Intisar Hussain Bhatti, Mian Manazir Ali Ranjha, Malik Muhammad Ishaq Bucha, Mr Khalid Pervez Virk, Mian Ata Muhammad Khan Manika, Mr S.A. Hameed, Chaudhry Muhammad Riaz, Chaudhry Muhammad Iqbal and Syed Akhtar Hussain Rizvi. This Committee completed the detailed examination of the Reports for the year 1987-88; but, before it could proceed further, the Assembly was dissolved on 17 November 1996.
6. The remaining work was, then, taken up by PAC-II constituted on 13 October 1997. It consisted of Ch Muhammad Safdar Shakir (*Chairman*), Mr Mansoor Ahmad Khan, Khawaja Saad Rafique, Mr Akhtar Mahmood, Ch Zafar Ullah Cheema, Sardar Naeemullah Khan Shahani,

Sardar Amjad Hameed Khan Dasti, Haji Muhammad Nawaz, Mian Imran Masood, and Rana Sana Ullah Khan. The Committee prepared the draft report but before the same could be finalized for presentation to the House, the Assembly was placed under suspension with effect from 12 October 1999 under the Proclamation of Emergency; and, with that the PAC ceased to function.

7. To clear the heavy pendency, Governor of the Punjab, pursuant to the powers conferred under Chief Executive of Pakistan letter No.1(74)SO(C-2)/2000 dated 31 July 2000, read with Article 2 of the Powers and Functions of the Governors Order 19 (5 of 1999), constituted an *ad hoc* Public Accounts Committee of the Punjab *vide* Finance Department Notification No.FD/Accts:/(A&A)/V-7/69 dated 20 October 2000 (*Annexure*).

8. The Committee initially consisted of eleven members: Mr Riyaz Hussain Bokhari (*Chairman*), Prof (Retd.) Dr Khalid Hameed Sheikh, Prof (Retd.) Dr Ejaz Ahsan, Major General (Retd.) Muhammad Akram, Mr Muzaffar Mahmood Qureshi, Mian Abdul Qayyum, Mr Aftab Ahmad Khan, Ch Muhammad Aslam, Mr Ali Kazim, Mr Muhammad Ahmad Bhatti and Mr Ahmad Raza Khan. However, for personal reasons, Mr Ali Kazim showed his inability to serve on the Committee, and Prof (Retd.) Ejaz Ahsan resigned after a few meetings.

9. The Committee decided to finalize the report for the year 1987-88 on the basis of the decisions taken by the earlier PACs. In its meeting on 23 May 2002, it approved the Report in hand.

10. This Report is arranged in 21 Chapters. Chapter 1 consists of general observations and recommendations of the former PACs; and, Chapter 2 contains a summary of the deliberations of the PACs about the Appropriation Accounts. The remaining Chapters deal with the audit paras/ observations alphabetically arranged for each department. A synopsis for each department has also been added for ready reference.

11. It is hoped that suggestions and recommendations of the Committee would encourage and assist the Government in refurbishing the system and procedure for constructive financial management.

(Dr Syed Abul Hassan Najmee)

5 June 2002

Secretary
Provincial Assembly of the Punjab

Social Welfare and Punjab Baitul Maal Department

Overview

Total Paras	Civil
2	2

Abstract

Status	Decision	Para Nos.	Total	Pages
1 Para Finally Settled	Paras finally settled as the requisite action had been taken.	Civil: 17.1.1	1	
1 Para Pended	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Civil: 17.6.1	1	

Discussed on 17 May 1993.

(Civil Audit)

1. Para 17.1.1: Page 177 – Embezzlement Rs. 17,125

17-5-93: In reply to Audit's objection, the Department stated that one bill was not drawn twice but, actually, these were two separate bills for the same supply the figures of which coincided incidentally. As the latest position had been verified by Audit, the **para was settled.**

2. Para 17.6.1: Page 178 – Non-accountal of Expenditure Rs. 4,076,700

17-5-93: Audit informed the Committee that entries in the cash book had been made by re-casting the dates which was an irregularity. The Department assured the Committee to be careful in future for late entries in the cash book. The Committee did not agree with the explanation of the Department and directed that responsibility should be fixed and action be taken against the official found responsible. **The para was kept pending.**

Services and General Administration Department (Transport Cell)

Overview

Total Paras	Commercial
23	23

Abstract

Status	Decision	Para Nos.	Total	Pages
Paras Noted 13	The paras were noted as no further action was required either because they were of descriptive nature or contained Accounts and departmental financial reviews.	Commercial: 152, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170.	13	
Paras Finally Settled 4	Paras finally settled as the requisite action had been taken.	Commercial: 3(xxviii), 153, 155, 158	4	
Paras Conditionally Settled 4	Paras settled with the direction that the Department shall implement the directives of the Committee and the Finance Department shall monitor the same. Both the Departments shall report compliance to the Public Accounts Committee every six months.	Commercial: 16, 17, 154, 156	4	
Paras Pended 2	Paras pended either because the Department had not taken satisfactory action or the working papers had not been submitted.	Commercial: 18, 157.	2	

Discussed on 30 November 1992 and 21 March 1995.

(Commercial Audit)

Punjab Road Transport Corporation

1. Para 3(xxviii) Page 7 – Scope of Compilation

30-11-92: The Committee observed that by not preparing its accounts since 1986-87 and not submitting to Audit the Corporation had been committing a grave financial irregularity. The Administrative Secretary was directed to see who was responsible for delay in the submission to Accounts and disciplinary action should be initiated against the Officers responsible for it. This should be done within a month. The para was kept pending.

21-3-95: The Committee was informed that balance sheet up to June, 1993, duly verified by the Chartered Accountants had been submitted to Audit. New accounts for 1993-94 were also with Audit. **The para was settled.**

2. Para 16: Page 22 – Loss of Revenue to the Extent of Rs.59.926 Million Due to Inordinate Delay in Repairs of Buses

30-11-92: The Public Accounts Committee desired to know the reasons for such abnormal delays in repairs of buses in a more wider perspective to see how the losses suffered by the Corporation could be minimized. The Committee directed that the buses which have completed their age or mileage may be disposed of expeditiously. The para was kept pending.

21-3-95: The Department stated that, according to the latest position, 60 more buses had been disposed of. The case for the disposal of the remaining buses was under process and permission of the board would be obtained before the next meeting of the Public Accounts Committee. **The para was settled subject to auction** of the remaining buses and its verification by Audit, in view of the assurance of the Administrative Secretary.

3 Para 17: Pages 22-23 – Obsolete Stores Lying Undisposed Rs.1,139,266

30-11-92: The Department stated that the stores worth Rs.697,096.64 had been sold for Rs.50,207 and the loss of Rs.646,829.64 had since been written off. The remaining stores worth Rs.442,129 were pending disposal. The para was kept pending. Action be expedited.

21-3-95: The Department explained that survey report for auction had been prepared. The case was being made for write off in the next meeting of the board. The Public Accounts Committee directed that survey report be got verified by Audit. **The para was settled subject to the write off** by the board and its verification by Audit.

4. Para 18: Page 23 – Shortage of Stores and Spares Rs.1,251,420

30-11-92: The Department stated that efforts were being made to find out the record and fix responsibility of the pilferage/loss. The para was kept pending.

21-3-95: It was observed that previously the Department had stated that case against Imtiaz-ul-Haq, Store Keeper, responsible for the shortage of Rs.651,615 had been lodged with the Police in 1987 but in the present meeting it came out that it was a false statement. Actually, the defaulter had absconded. The committee took serious notice of the departmental reply wherein it was stated “Punjab Road Transport Corporation Headquarter Office has also been approached for an advice for further possible action at our end in this behalf”. As desired by the Committee, the Administrative Secretary promised to conduct a thorough inquiry and to take action against the Officer/Official responsible for mis-statement of facts. It was directed that the Committee should be apprised of the action taken by the Department against the defaulter. **The para was kept pending.**

Punjab Urban Transport Corporation, Lahore

5. Para 153: Pages 301-302 – Working Results of the Corporation

30-11-92: The Public Accounts Committee directed the Department to submit a comprehensive report on the present state of affairs of the PRTC as to what steps have been taken to minimize the losses. The policy decision for deciding the fate of the PRTC should be expedited by the Government so that the Government should not have to face further losses. The para was kept pending.

21-3-95: The losses of the Punjab Road Transport Corporation during the year 1991-92 had increased to Rs.1,077.200 million. It was unanimously observed by the Public Accounts Committee, Audit the Finance Department and the Transport Department that Punjab Road Transport Corporation is suffering an annual loss of Rs.48.00 Crore. Immediate steps should be taken to wind it up, by disposing of its assets to meet the liabilities. Subject to the above observations, the **para was settled.**

6. Para 154: Page 302 – Sundry Debtors Rose to Rs.104.801 Million Against Rs.59,355

30-11-92: The Department explained that the sundry debtors have been reduced from Rs.104.801 million to Rs.90.171 million during 1989-90 and efforts were being made to adjust the remaining amounts.

The Public Accounts Committee directed the Department to prepare year- wise analysis. The para was kept pending.

21-3-95: According to the Department, sundry debts had been further reduced to Rs.19.00

lac and efforts were being made to adjust the remaining amount. **The para was settled subject to recovery** of the balance amount and its verification by Audit.

7. Para 155: Page 302 – Increase in Stock and Stores

30-11-92: Audit reported that this para had been repeated in para 189 of ARPSF 1988-89. Therefore, **it was deleted** from here.

8. Para 156: Page 302 – Shortages in Stores

30-11-92: The excess stores amounting to Rs.179,821 had been taken on charge. Stores amounting to Rs.1,059,608.94 had been recovered/adjusted leaving a balance of stores for Rs.57,532.06. Efforts were being made for the finalization of remaining stores. The para was settled subject to verification by Audit.

21-3-95: The Committee was informed that out of Rs.57,532, an amount of Rs.24,799 had been recovered and got verified by Audit. Reconciliation of the remaining amount of Rs.32,752 would be got done by Audit. The Department was directed to depute an Officer for carrying out reconciliation with Audit. **The para was settled subject to verification** by Audit.

9. Para 157: Page 302 – Discrepancies/Irregularities

30-11-92: For compliance, the para was kept pending.

21-3-95: It was noticed that compliance to the observations of Chartered Accountants had not been done. The Committee directed that compliance to the observations of the Chartered Accountants should be submitted to Audit within 14 days. **The para was kept pending.**

10. Para 158: Page 302 – Non-preparation of Comparative Accounts

30-11-92: For compliance, the para was kept pending.

21-3-95: Audit observation had been complied with. **The para was settled.**

Annexure

GOVERNMENT OF THE PUNJAB FINANCE DEPARTMENT

NOTIFICATION

Dated: Lahore the 20 October 2000

No.FD/Acctts:/(A&A)/V-7/69. In exercise of the powers conferred upon him under the order of the Chief Executive of Pakistan contained in letter No.1(74)SO(C-2)/2000 dated 31st July 2000 read with Article 2 of the Powers and Functions of the Governors Order 19 (No.5 of 1999), the Governor of the Punjab is pleased to constitute, until further orders, an ad hoc Public Accounts Committee for examining the appropriation and other accounts of the Government of the Punjab and the reports of the Auditor General thereon and for dealing with the unfinished business of the Standing Committees on Public Accounts of the Provincial Assembly of the Punjab suspended on the twelfth day of October 1999, consisting of the following namely:

- | | |
|--|--------|
| 1. Mr Aftab Ahmad
(Retd. Secretary C&W) | Member |
| 2. Mr Ahmad Raza Khan
(Retd. Addl. Secretary) | Member |
| 3. Mr Ali Kazim, Advocate
(Retd. Civil Servant) | Member |
| 4. Ch Muhammad Aslam
(Retd. Provincial Secretary) | Member |
| 5. Prof. (R) Dr Ejaz Ahsan
(Retd. Principal KEMC) | Member |
| 6. Prof. (R) Dr Khalid Hameed Sheikh
(Retd. Vice Chancellor, Punjab University) | Member |
| 7. Mian Abdul Qayyum
(Retd. Federal Secretary) | Member |
| 8. Mr Muhammad Ahmad Bhatti
(Retd. Provincial Secretary) | Member |
| 9. Major General (Retd) Muhammad Akram
461-CC, Phase IV, DHA, Lahore | Member |
| 10. Mr Muzaffar Mahmood Qureshi
(Retd. Federal Secretary) | Member |
| 11. Mr Riaz Hussain Bokhari,
(Retd. Auditor General of Pakistan) | Member |

2. Mr Riaz Hussain Bokhari, will act as Chairman of the ad hoc Public Accounts Committee, until further orders.

3. (1) In scrutinizing the appropriation and other accounts of the government and the reports, including special audit reports and performance audit reports of the Auditor General of Pakistan thereon, it shall be the duty of the ad hoc Public Accounts Committee, hereinafter referred to as Committee, to satisfy itself:

(a) that the moneys shown in the accounts as having been disbursed were legally available for and applicable to, the service or purpose to which they have been applied or charged.

(b) that the expenditure conforms to the authority which governs it.

(c) that every re-appropriation has been made in accordance with the provisions made in this behalf under the rules framed by the Finance Department.

(d) that the money shown in the accounts was spent with due regard to regularity, propriety, economy, efficiency and effectiveness.

(2) It shall also be the duty of the Committee:-

(a) to examine the statement of accounts showing the income and expenditure of state corporations, trading and manufacturing schemes, concerns and projects together with the balance sheets and statements of profit and loss accounts which the Governor may have required to be prepared or are prepared under the provisions of the statutory rules regulating the financing of a particular corporation, trading of manufacturing scheme or concern or project and the report of the Auditor General of Pakistan thereon;

(b) to examine the statement of accounts showing the income and expenditure of autonomous and semi-autonomous bodies, the audit of which may be conducted by the Auditor General of Pakistan either under the directions of the Governor or under an Act of Assembly; and

(c) to consider the report of the Auditor General of Pakistan in case where the Governor may have required him to conduct the audit of any receipts or to examine the accounts of stores and stocks.

(3) If any money has been spent on any service during a financial year in excess of the authorized grant or appropriation for that purpose, the Committee shall examine with reference to the facts of each case the circumstance leading to such an excess and make such recommendations as it may deem fit.

4. The Committee will make arrangements for clearance of backlog of audit reports passed on to it as unfinished business of the aforesaid Standing Committees of the Provincial Assembly. Recommendations of the Committee shall be submitted for final approval to the Minister for Finance Punjab within one year positively.

5. The recommendations made by the aforesaid Standing Committees of Provincial Assembly of the Punjab in the finalized reports for the previous years shall be submitted by the Committee to the Finance Minister for approval. The Committee shall also oversee implementation of its approved recommendations.
6. The Provincial Assembly Secretariat will function as the Secretariat of the Ad hoc Public Accounts Committee.

Sd/-
(M. AKRAM MALIK)
Secretary to Government of the Punjab
Finance Department

No. FD/Accts:/(A&A)/V-7/69

Dated Lahore the, 20th October 2000

Copy forwarded for information to:-

- 1) All Administrative Secretaries to Government of the Punjab.
- 2) All Heads of Departments in the Punjab.
- 3) Secretary, Provincial Assembly of the Punjab, Lahore.

Sd/-
(Muhammad Anwar Cheema)
Under Secretary (M-1)
Government of the Punjab
Finance Department

No. FD/Accts:/(A&A)/V-7/69

Dated Lahore the, 20th October 2000

Copy forwarded for information to the:-

- 1) Auditor General of Pakistan, Constitution Avenue, Islamabad.
- 2) Accountant General, Punjab, Lahore.
- 3) Director General, Audit (Works), Punjab, Lahore.
- 4) Director General, Audit, Punjab, Lahore.
- 5) Director General, Commercial Audit, Lahore.
- 6) Director General, Revenue Receipt Audit, Punjab, Lahore.
- 7) Director General, Accounts (Works), Lahore.

Sd/-
(Muhammad Anwar Cheema)
Under Secretary (M-1)
Government of the Punjab
Finance Department

No. FD/Accts:/(A&A)/V-7/69

Dated Lahore the, 20th October 2000

A copy is forwarded to the Superintendent Government Printing Punjab, Lahore, for publication in the Punjab Gazette and for supplying 10 printed copies to this Department for record.

Sd/-

(Muhammad Anwar Cheema)
Under Secretary (M-1)
Government of the Punjab
Finance Department