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## P R E F A C E

The Appropriation Accounts, Finance Accounts and Audit Report for the Year 1998-99 (comprising the following volumes) were initially referred by the Governor to the *Ad hoc* Public Accounts Committee on 7 November 2001:-

1. Appropriation Accounts
2. Finance Accounts
3. Audit Report Vol-I (Civil Departments)
4. Audit Report Vol-II (Works Departments) and Special Audit Report
5. Audit Report Vol-III (Revenue Receipts Departments)
6. Audit Report Vol-IV (Public Sector Enterprises)
7. Audit Report Vol-V Performance Audit Reports and Provincial Zakat Fund (Punjab Province)

On the constitution of the current Provincial Assembly of the Punjab w.e.f. 25 November 2002, the *Ad hoc* Public Accounts Committee ceased to exist. The present Public Accounts Committee-I comprising the following members, was constituted on 6-8-2003 :

1.	Mr Muhammad Azeem Ghumman, MPA (PP-131)	Chairman
2.	Sardar Hasnain Bahadur Dreshak Minister for Finance, Government of the Punjab	Ex-officio Member
3.	Pir Kashif Ali Chishti, MPA (PP-231)	Member
4.	Ch Faisal Farooq Cheema, MPA (PP-35)	Member
5.	Mian Atta Muhammad Khan Maneka, MPA (PP-227)	Member
6.	Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246)	Member
7.	Mrs Irshad Safdar, MPA (W-321)	Member
8.	Rai Ijaz Ahmad, MPA (PP-171)	Member
9.	Ch Abdul Ghafoor Khan, MPA (PP-152)	Member
10.	Mrs Saba Sadiq, MPA (W-352) Chairperson (PSSB)/Advisor to C.M, Punjab	Member
11.	Mr Aftab Ahmad Khan, MPA (PP-63)	Member
12.	Mr Ali Hassan Raza Qazi, MPA (PP-73)	Member
13.	Syed Nazim Hussain Shah, MPA (PP-199)	Member
14.	Ms Saghira Islam, MPA (W-336)	Member

Through a motion in the House, unfinished work of *Ad hoc* Public Accounts Committee, in respect of Audit Report for the year 1998-99 was referred to PAC-I on 5 August 2003. On the expiry of the initial period of one year for submission of report of PAC-I to the Assembly, the

time was extended upto 4 August 2005 and again upto 3 August 2006. During this period, the Committee held 101 meetings for examination of the Appropriation Accounts and Audit Report for the Year 1998-99. The Committee also appointed twelve Sub Committees, from time to time, for detailed examination of certain paras of the Audit Report.

This report of the Public Accounts Committee-I, on the Appropriation Accounts and Audit Report for the Year 1998-99, comprises of the deliberations and recommendations recorded in the minutes of the above mentioned meetings of the Committee, and is presented to the Provincial Assembly of Punjab under Rule 178 read with Rule 166(2)(C) of the Rules of procedure of the Provincial Assembly of the Punjab, 1997.

*Dated Lahore, the  
30 August 2006*

*(Muhammad Azeem Ghuman)  
Chairman  
Public Accounts Committee-I*

# APPROPRIATION ACCOUNTS

## (1998-99)

### OVERVIEW

Total No. of Grants	Settled	Conditionally Settled	Pending
48	29	02	17

### ABSTRACT

Status	Number and Tile of Grant	Detail
Grants Finally Settled 29	01-Opium, 02-Land Revenue, 03-Provincial Excise, 04-Stamps, 05-Forests, 06-Registration, 08-Other Taxes and Duties, 12-Jails and Convict Settlements, 13-Police, 15-Education, 16-Health Services, 18-Agri, 19-Fisheries, 20-Veterinary, 21-Cooperation, 26-H&PP, 27-Relief, 28-Pensions, 30-Subsidies, 32-Civil Defence, 34-State Trading in Medical Stores & Coal, 35-Loans to Government Servants, 38-Agriculture Improvement & Research (Dev), 40-Town Development (Dev), 42-Govt. Buildings, NIL-Permanent Debt, NIL-Repayment of Loans from the Federal Government, NIL-Interest on Debt and Other Obligations, NIL-Privy Purses,	
Grants Settled Subject to the Approval of Excess Budget Statement 2	33-State Trading in Food Grains & Sugar, NIL-Floating Debt All Charged	
Settled Partly/Pending 17	07-Charges on Account of Motor Vehicles Acts, 09-Irrigation & Land Reclamation, 10-General Administration, 11-Administration Justice, 14-Museums, 17-Public Health, 22-Industries, 23-Miscellaneous, 24-Civil Works, 25-Communications, 29-Stationary and Printing 31-Miscellaneous, 36-Development, 37-Irrigation Works (Dev), 39-Industrial Development, 41-Roads & Bridges (Dev), 43-Loans to Municipalities Autonomous Bodies	

### AUDIT PARAS 1998-99

Total Paras	Settled Paras	Conditionally Settled	Pending paras
2364	1283	294	787

GRANTS FINALLY SETTLED				
Grant No. & Title	Final Grant (Rs)	Actual Expenditure (Rs)	Excess/Saving (Rs)	Remarks
01-Opium	970,000	963,089	(-)6,911 0.71%	Minutes dated 4.03.2004, issued vide letter No.PAP/ (PAC-I)/2003/Mins/06/4909 dated 30.6.2004
02-Land Revenue	452,242,000	437,060,179	(-)15,262,825 (3.37%)	Minutes dated 3.8.2004 issued vide letter No.PAP/(PAC- I)/2003/Mins/ 06/7637 dated 7.10.2004
03-Provincial Excise	63,869,000	68,273,280	(+)5,004,210 (35.50%)	Minutes dated 10.02.2005, issued vide letter No.PAP/(PAC-I)/2003/ Mins/06/2211 dated 4.4.2005
04-Stamps	36,264,000	41,242,668	(+)4,978,668 (13.73%)	Minutes dated 10.09.2003 issued vide letter No.PAP/ (PAC-I)/2003/9288 dated 15.10.2003
05-Forest	480,625,000	460,354,807	(-)20,270,193 (4.21%)	Minutes dated 1.07.2002, issued vide letter No. PAC (3)/97-98/98-99/99-2000/ 2002/8124 dated 24.2.2002
06-Registration	10,233,000	9,606,730	(+)626,270 (6.12%)	Minutes dated 10.09.2003 issued vide letter No.PAP/ (PAC-I)/2003/9288 dated 15.10.2003
08-Other Taxes & Duties	99,430,000	98,941,298	(-)488,702 ( %)	Minutes dated 4.03.2004, issued vide letter No.PAP/(PAC-I)/2003/ Mins/06/4909 dated 30.6.2004
12-Jails & Convict Settlements	686,728,000	668,600,522	(-)18,127,478 (2.64%)	Minutes dated 6.05.2004, issued vide letter No.
13-Police	6,363,691,000	6,257,548,945	(-)106,142,055 (1.67%)	Minutes dated 6.5.2004, issued vide letter No.PAP/PAC- I/2003/ Mins/06/6140 dated 19.8.2004
15-Education	25,074,559,000	21,135,587,929	(-)4,556,230,393 18.21%	Minutes dated 9.7.2002, 12.4.2004 and 12.8.2004 issued vide letter No.PAC(3) 97-98/98-99/99-2000/2002/ 8540 dated 15.8.2002, PAP/ (PAC-I)/2003/Mins/ 06/4681 dated 23.6.2004 and PAP/ (PAC-I)/2003/Mins/ 06/7240 dated 25.9.2004
16-Health Services	6,107,812,000	5,482,876,699	(-)624,935,301 (10.23%)	Minutes dated 10.11.2004, issued vide letter No.PAC- I/2003/ Mins/06/1686 dated 14.3.2005

18-Agriculture	203,9665,000	2,015,488,494	(-)24,176,506 (1.19%)	Minutes dated 1.9.2003 and 2.8.2004 issued vide letter No. PAP/(PAC-I)/2003/9049 dated 4.10.2003 and PAP/ (PAC-I)/2003/Mins/ 06/7239 dated 25.9.2004
19-Fisheries	98,660,000	92,078,108	(-)6,581,892 (6.67%)	Minutes dated 1.7.2002, issued vide letter No. PAC (3)/97-98/98-99/99-2000/ 2002/8124 dated 24.7.2002
20-Veterniary	722,802,000	707,341,513	(-)15,460,487 (2.14%)	Minutes dated 13.4.2004, issued vide letter No. PAP/ PAC-I/2003/Mins/ 6/5102 dated 9.7.2004
21-Cooperation	164,180,000	160,622,513	(-)3,557,487 (2.17%)	Minutes dated 9.7.2002 issued vide letter No.PAC(3) 97-98/98-99/99-2000/2002/ 8540 dated 15.8.2002
26-Housing & Physical Planning	109,597,000	102,137,399	(-)7,459,601 (6.81%)	Minutes dated 06.11.2003, issued videletter No.PAP/PAC-I/2003/Mins/06/1185 dated 12.2.2004
27-Relief	65,138,000	78,186,282	(+)13,048,282 (20.3%)	Minutes dated 10.9.2003 issued vide letter No.PAP/ (PAC-I)/2003/9288 dated 15.10.2003
	<b>78,292,443</b>	<b>78,186,282</b>	<b>(+)106,161</b> <b>0.13%</b>	
28-Pensions	6,800,000,000	8,009,119,635	(+)1,209,119,635 (17.78%)	Minutes dated 06.03.2004, issued vide letter No.PAP/ (PAC-I)/ 2003/Min/06/4036 dated 5.6.2004
30-Subsidies	4,344,834,000	2,941,851,000	(-)1,402,983,000 (32.29%)	Minutes dated 29.7.2002, issued vide letter No.PAC(3)/97-98/98-99/99-2000/ 2002/10017 dated 10.9.2002
32-Civil Defence	33,512,000	32,494,883	(-)1,017,117 (3.04%)	Minutes dated 06.05.2004, issued vide letter No.PAP/PAC-I/ 2003/Mins/06/6140 dated 19.8.2004
34-State Trading in Medical Stores & Coal	331,704,000	330,480,146	(-)1,223,854 (0.37%)	Minutes dated 22.7.2002, issued vide letter No. PAC (3)/97-98/98-99/99-2000/ 2002/8793 dated 28.8.2002
35-Loans to Government Servant	47,500,000	45,018,812	(-)2,481,188 (5.22%)	Minutes dated 6.3.2004, issued vide letter No. PAP/(PAC-I)/2003 /Min /06/ 4036 dated 5.6.2004
38-Agriculture Improvement & Research (Development)	43,247,000	25,627,946	(-)17,619,054 (40.74%)	Minutes dated 2.9.2003 issued vide letter No.PAP/(PAC-I)/2003/9049 dated 4.10.2003

40-Town Development (Development)	94,442,000	82,487,368	(-)11,954,632 (12.66%)	Minutes dated 06.11.2003, issued vide letter No.PAP/PAC-I/2003/Mins/06/1185 dated 12.2.2004
42-Government Buildings	2,033,693,000	1,748,116,158	(-)285,576,842 (14.04%)	Minutes dated 1.10.2003, issued vide letter No.PAP/PAC-I/2003/Mins/ 6/1185 dated 17.12.2003
NIL-Permanent Debt (All Charged)	75,848,000	75,747,200	(-)100,800 (0.13%)	Minutes dated 06.03.2004, issued vide letter No.PAP/ (PAC-I)/2003/Mins/06/4036 dated 5.6.2004
NIL-Repayment of Loans from the Federal Government (All Charged)	2,671,326,000	2,669,399,326	(-)1,926,674 (0.07%)	Minutes dated 6.03.2004, issued vide letter No.PAP/PAC-I/2003/ Min/06/4036 dated 5.6.2004
NIL- Interest on Debit & Other Obligations (All Charged)	14,085,313000	14,311,297,151	(+)225,984,151 (1.60%)	Minutes dated 6.03.2004, issued vide letter No.PAP/(PAC-I)/2003/ Min/06/4036 dated 5.6.2004
NIL-Privy Purses (All Charged)	1,600,000	NIL	(-)1,600,000 (100%)	Minutes dated 05.07. 2004, issued vide No.PAP/(PAC-I)/2003/Min/06/6522 dated 1.9.2004

## GRANTS SETTLED SUBJECT TO REGULARIZATION BY THE FINANCE DEPARTMENT

Grant No. & Title		Final Grant	Actual Expenditure	Excess/Savings	Remarks
		(Rs)	(Rs)	(Rs)	
33-State Trading in Food, Grain & Sugar	Charged	958,265,000	587,276,362	(-)370,988,638 (38.71%)	Minutes dated 29.07.2002, issued vide letter No. PAC(3)/97-98/98-99/99-2000/2002/10017 dated 10.9.2002
	Voted	18,694,079,000	19,977,524,113	(+)1,283,445,113 (6.87%)	
NIL-Floating Debt (All Charged)		16,775,329,000	15,585,641,553	(-)1,189,687,447 (7.09%)	Minutes dated 29.07.2002, issued vide letter No. PAC(3)/97-98/98-99/99-2000/2002/10017 dated 10.9.2002

## GRANTS PARTLY SETTLED/PENDING

Grant No. & Title	Final Grant	Actual Expenditure	Excess/Savings	Remarks
	(Rs)	(Rs)	(Rs)	

07-Charges on Account of Motor Vehicles Acts		39,796,000	42,518,037	(+)2,722,037 (6.84%)	Minutes dated 02.09.2004 and 10.02.2005 issued vide letter No. PAP/(PAC-I)/2003/Min/06/7241 dated 25.9.2004 and PAP/(PAC-I) 2003/Mins/06/2211 dated 4.4.2005
09-Irrigation & Land Reclamation		5,362,810,000	296,829,2578	(-)2,394,517,422 (44.65%)	Minutes dated 13.10.2003 and 10.03.2005 issued vide letter No. PAP/ PAC-I/2003/ 06/11121 dated 27.12.2003 and PAP/ PAC-I/2003/ Mins/06/3352 dated 16.5.2005
10-General Administration	Charged	106,180,000	96,608,596	(-)9,571,404 (9.01%)	Minutes dated 15.07.2002, 11.12.2003, 12.02.2004, 03.08.2004 and 02.09.2004 issued vide letter No.PAC (3)/96-97/97-98/98-99/99-2000/2002/8656 dated 21.8.2002, PAP/(PAC-I)/2003/ Min/06/3516 dated 17.5.2004, PAP/ (PAC-I)/2003/ Mins/06/4354 dated 14.6.2004, PAP/ (PAC-I)/ 2003/ Mins/06/ 7637 dated 7.10.2004 and PAP/(PAC-I)/ 2003/ Min/06/ 7241 dated 25.9.2004
	Voted	4,455,554,000	4,186,763,344	(-)268,790,656 (6.03%)	
11-Administration of Justice	Charged	205,965,000	195,466,216	(-)10,498,784 (5.10%)	Minutes dated 15.07.2002 and , 22.07.2002,issued vide letter No.PAC(3)/97-98/98-99/99-2000/2002/8656 dated 21.8.2002 and PAC(3)/97-98/98-99/99-2000/2002/8793 dated 28.8.2002
	Voted	449,685,000	436,893,306	(-)12,791,694 (2.84%)	
14-Museum		9,330,000	8,608,563	(-)721,437 (7.73%)	Not discussed
17-Public Health		713,654,000	521,293,496	(-)192,360,504 (26.95%)	Minutes dated 6.11.2003 issued vide letter No.PAP/ (PAC-I)/2003/Min/06/1185 dated 12.2.2004
22-Industries		162,163,000	134,786,131	(-)27,376,869 (16.88%)	Minutes dated 03.07.2002 and 12.04.2004,issued vide letter No.PAC(3)/97-98/98-99/99-2000/2002/8213 dated 29.7.2002 and No. PAP/(PAC-I)2003/ Mins/06/4681 dated 23.6.2004



23-Misc.	586,176,000	540,896,761	(-)45,279,239 (7.72%)	Minutes dated 29.07.2002 and 12.04.2004, issued vide letter No.PAC(3)/97-98/98-99/99-2000/2002/10017 dated 10.9.2002 and PAP/(PAC-I)/2003/ Mins/06/4681 dated 23.6.2004
24-Civil Works	1,685,221,000	1,248,111,154	(-)437,109,846 (25.94%)	Minutes dated 06.11.2003 and 10.03.2005 issued vide letter No.PAP/(PAC-I)2003/ Min/ 06/1185 dated 12.2.2004 and PAP/(PAC-I) 2003/ Min/3352 dated 16.5.2005
25-Communications	2,071,142,000	1,520,185,577	(-)550,956,423 (26.60 %)	Minutes dated 13.12.2003 and 15.12.2004 issued vide letter No. PAP/(PAC-I) 2003/Min/06/3516 dated 17.5.2004 and PAP/(PAC-I) 2003/Mins/ 06/2271 dated 2.4.2005
29-Stationery & Printing	111,915,000	81,484,515	(-)30,430,485 (27.19%)	Minutes dated 03.07.2002 and 12.04.2004, issued vide letter No. PAC(3)/97-98/98-99/99-2000/2002/8213 dated 29.7.2002 and PAP/(PAC-I)/2003/ Mins/06/4681 dated 23.6.2004
31-Misc.	1,264,880,000	1,104,810,817	(-)160,069,183 (12.65%)	Minutes dated 17.07.2002, 06.05.2004 and 13.07.2004, issued vide letter No. PAC (3)/97-98/98-99/99-2000/2002/8866 dated 31.8.2002, PAP/(PAC-I)/2003/Mins/06/6140 dated 19.8.2004 and PAP/(PAC-I)/2003/Min/06/7006 dated 16.9.2004
36-Development	8,569,417,000	7,351,719,526	(-)1,217,697,474 (14.21%)	Minutes dated 22.07.2002, 13.11.2003, 13.05.2004 and 12.08,2004, issued vide letter No. PAC(3)/97-98/98-99/99-2000/2002/8793 dated 28.8.2002, PAP/(PAC-I)/2003/ Min/06/2999 dated 23.11.2004, PAP/(PAC-I)/2003/ Min/06/6332 dated 26.8.2004 and PAP/(PAC-I)/2003/ Mins/06/7240 dated 25.9.2004

37-Irrigation Works (Development)	1,440,913,000	1,769,882,766	(+)328,969,766 (22.83%)	Minutes dated 13.10.2003 and 10.03.2005 issued vide letter No.PAP/ PAC-I/2003/ 06/11121 dated 27.12.2003 and PAP/ PAC-I/2003/Mins/06/3352 dated 16.5.2005
39-Industrial Development	3,737,000	3,737,000	NIL	Not discussed
41-Roads & Bridges (Development)	3,237,001,000	2,433,051,643	(-)803,949,357 (24.84%)	Minutes dated 11.12.2003 and 14.12.2004 issued vide letter No. PAP/(PAC-I) 2003/Min/06/3516 dated 17.5.2004 and PAP/(PAC- I)/ 2003/Mins/06/1774 dated 17.3.2005
43-Loans to Municipalities Autonomous Bodies	2,411,067,000	2,221,889,567	(-)189,177,433 (7.85%)	Minutes dated 31.07.2002, 06.11.2003 and 12.04.2004, issued vide letter No. PAC (3)/97-98/98-99/99- 2000/2002/10125 dated 17.9.2002, PAP/(PAC- I)/2003/ Mins/06/1185 dated 12.2.2004 and PAP/ (PAC-I)/2003/ Mins/06/4681 dated 23.6.2004

The Committee examined the Accounts of the Agriculture Department in its meetings held on 1.9.2003, 2.9.2003, 3.9.2003, 2.8.2004 and 13.12.2004 and made the following recommendations:-

## **University of Agriculture, Faisalabad**

### **Audit Paras (Civil) for the year 1998-99**

#### **1.           Para No.1: Page 5 of Audit Report for the year 1998-99; Embezzlement of Rs.396,449/- in Sale Proceeds of Trees/ Crops.**

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**2.9.2003**   In its latest comments Audit had reported that out of recoverable amount of Rs.396,449/-, a sum of Rs.270,000/- due from Dr. Masood A. Qureshi, had been written off by the Syndicate in its meeting held on 30.9.2000. Out of the balance amount of Rs.126,449/- due from Mirza Manzoor Baig, a sum of Rs.109,850/- had been recovered leaving an outstanding balance of Rs.16,599/-. The Department stated in the meeting that balance amount had also been recovered.

The para was settled subject to verification by Audit.

**13.12.2004**   The Department explained that the total recovery had been effected and verified by Audit.

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

#### **2.           Para No.2: Page 6 of Audit Report for the year 1998-99; Mis- Appropriation of Wheat etc. Worth Rs.244,275/-.**

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**2.9.2003**   The Department explained that as a result of inquiry only a shortage worth Rs.148,134.50 was established which had been recovered in addition certain articles were auctioned and auction money of Rs.3,200/- deposited into the University accounts.

In its latest comments, Audit had verified the recovery of Rs.151,334/-. The Department was directed to produce the inquiry report/record to Audit for verification of reduction in the amount of the para.

The para was settled subject to verification by Audit.

**13.12.2004** The Department explained that in compliance with PAC directions all the record had been produced to Audit and departmental contention had been accepted by Audit and para was recommended for settlement.

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

**3. Para No.3: Page 6 & 7 of Audit Report for the year 1998-99; Embezzlement of Rs.178,818/- Due to Non-Deposit of Rent of Shops and Canteens.**

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**2.9.2003** In its latest comments Audit had verified that the entire amount of the para had been recovered and credited into University accounts. Audit, however, wanted to see the Bank Statement in support of the deposits.

The para was settled subject to verification by Audit.

**13.12.2004** The Department explained that in compliance with PAC directions total recovery had been effected and verified by Audit from available record.

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

**4. Para No.4: Pages 7 & 8 of Audit Report for the year 1998-99; Doubtful Expenditure of Rs.2,191,000/- out of Development Funds.**

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**2.9.2003** The Department explained that vouched accounts of Rs.1,074,897/- were available for verification by Audit. As regards the balance amount of Rs.1,125,103/- the major portion of this balance amount had not been drawn. Only an amount of Rs.80,000/- was outstanding. Therefore, an inquiry was held and it was disclosed that in this balance of Rs.80,000/- an adjustment account of Rs.40,000/- had been cleared/adjusted by the Resident Auditor on 3.4.1998, but another adjustment account of Rs.40,000/- was outstanding being untraceable.

The Committee directed that an Auditor may be deputed for verification of record on the spot within a week.

The para was kept pending.

**13.12.2004** The Department explained that in view of Audit observations a committee had been appointed by competent authority to probe into the matter to fix responsibility for the loss and report would be submitted at the earliest.

The Committee directed the Department to finalize the inquiry proceedings within 30 days and submit its report to the PAC.

**The para was kept pending.**

**5. Para No.5: Pages 9 & 10 of Audit Report for the year 1998-99; Less Recovery of Rs.9,316,931/- on Account of Electricity and Water Charges from the Residents of the University.**

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**2.9.2003** The Department explained that Draft Para No. 5.2 for the year 1996-97 of similar nature to this draft para was discussed in the meeting of Adhoc Public Accounts Committee held on 16.10.2001. The Adhoc Public Accounts Committee directed to make realistic calculations of the rate to be charged from the residents through bulk supply. The said Committee had further directed that separate meters should be provided to all residences on the Campus.

Audit pointed out that inspite of the lapse of about two years, the department had made no progress to implement the directive of the ad-hoc PAC.

The Committee directed that the Department may follow up the matter in the light of the decision made by the Ad-hoc PAC dated 16.10.2001 and with this observation **decided to settle the para.**

**6. Para No.6: Pages 10 & 11 of Audit Report for the year 1998-99; Irregular Grant of Advance Increments to Adhoc Appointees for Rs.2,365,400/-.**

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**2.9.2003** The Department explained that this draft para was of same nature, as DP No. 5.1 of 1996-97 which was decided by the Adhoc Public Accounts Committee in its meeting held on 16.10.2001 as under:-

“The Vice-Chancellor of the University of Agriculture, Faisalabad, explained that there was no distinction between the regular employees and adhoc employees for the purpose of grant of advance increments in the pay Revision Rules of 1983 and 1987. Therefore, the Ad-hoc/temporary appointees were also granted the said facility. In 1993, the Finance Department issued a clarification to A.G. Punjab, without endorsing the same to the Administrative Departments and Autonomous Bodies that adhoc appointees would not be entitled to advance increments on account of higher qualification. The adhoc appointees obtained a stay order and continued to

draw the same. The Committee observed that the University should seek decision of its Syndicate on this issue.”

The Department explained in the meeting that the requisite approval of the Syndicate had been obtained in this matter during 2002.

In view of the above, **the para was settled.**

**7. Para No.7: Pages 11 & 12 of Audit Report for the year 1998-99; Irregular Payment of Orderly Allowance for Rs.2,115,676/- to Professors.**

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**2.9.2003** The Department explained that this draft para was of same nature, as DP No. 5.15 of 1996-97 which was decided by the Ad-hoc Public Accounts Committee in its meeting held on 6.8.2001 as under:-

“The Department explained that University of Agriculture had obtained approval of the Syndicate for payment of orderly allowance to the Professors/Officers in BPS-20 at prescribed rates on provisional basis in anticipation of the approval of the Chancellor. The Department also stated that an undertaking had been obtained from each officer to refund the payment in case of any adverse decision. The Administrative Secretary explained that he had already submitted a summary in this respect to the Governor, Punjab for taking a uniform decision in this matter because other universities were also following the same practice.”

The Committee directed that Administrative Department and Finance Department may take necessary steps for getting the matter decided by the Chancellor/Governor.

The para was kept pending.

**13.12.2004** The Department explained that the matter of orderly allowance had been submitted to the Chief Minister and the decision thereon was awaited.

**The para was kept pending with the direction that the department should pursue the matter vigorously.**

**8. Para No.8: Pages 12 & 13 of Audit Report for the year 1998-99; Excess Payment of Pension/Irregular Grant of Higher Pay Scales Worth Rs.1,093,227/-.**

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**3.9.2003** The Department explained the position part-wise as under:-**Part-I Grant of Higher Pay Scales to Professors/Deans.**

The Department explained that in accordance with the draft statutes submitted by the University for approval by the Chancellor, the Syndicate of the University in its meeting held on 29.5.1993, decided to allow BS-21 to the Professors provisionally on an undertaking that they shall refund the overpayment in case the Chancellor declined to approve the said statutes. The said draft statutes had since been approved by the Chancellor. However, the cases of 12 Professors who had been granted higher scales in anticipation of the approval of the Chancellor find no legal cover in the said statutes. A case for ex-post facto approval in the cases of the said 12 Professors was, therefore, being submitted for approval of the Chancellor.

The Committee decided to pend this part of the para till the decision of the Chancellor.

**Part-II Grant of Higher Scales to Administrative Officers.**

The Department explained that the Syndicate in its meeting held on 29.5.1993 decided to place provisionally the post of Registrar, Treasurer, Controller of Exams and Librarian in BS-20 w.e.f. 29.5.1993 in anticipation of the approval of the Chancellor which was still awaited.

The Committee directed that the decision of the Syndicate should be got approved by the Chancellor. This part was kept pending.

**Part-III Grant of Pre-mature Increments.**

The Department explained that the grant of two advance increments to the officers by the Syndicate was within the competence of the Syndicate according to the statutes of the University. **This part was settled.**

**13.12.2004** The Department explained that in the light of directions of PAC Finance Department had been requested to get the matter decided by the Chancellor and requested that till such time para be kept pending.

The Committee directed the Department to pursue the case vigorously.

**The para was kept pending.**



**9. Para No.9: Pages 13 & 14 of Audit Report for the year 1998-99; Irregular Payment of Rs.889,641/- Made Due to Grant of Leave Over Period of 5 years at one Time**

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**3.9.2003** The Department explained that the Syndicate was fully empowered to grant leave over 5 years to the University teachers under the statutes of the University.

The para was settled subject to verification of the contention of the Department by Audit.

**13.12.2004** The Department explained that the para was discussed in the meeting of Syndicate held on 20.1.2004 and recommendations were as under:-

- i) Dr. Zahida Perveen over stayed in USA due to circumstances beyond her control.
- ii) Dr. Faizan-ul-Haq could not receive the tickets for his way back to home from Ministry of Education, Pakistan and his over stay was also inevitable.
- iii) In case of Mr. Muhammad Asif Ali, the Syndicate granted ex-post facto sanction regarding study leave.

Audit stated that facts had been verified.

**The para was accordingly settled.**

**10. Para No.10: Pages 14 & 15 of Audit Report for the year 1998-99; Non Deposit of Rs.720,000/- on account of Auction Money of Nurseries Planted in the Residential Area.**

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**3.9.2003** The Department explained that the land attached with the banglows in the University Campus was never sublet or leased out to any private person. The said land was being used by the allottees for growing flowers, plants/vegetables for personal use just like other officers of the Government.

After detailed discussion, **the para was settled.**

**Special Observation/Direction**

The Audit Department was advised to report how many audit paras identical to para



No.10 above had been framed in respect of land attached to the official banglows of the District Coordination Officers, Executive District Officers/Police Officers etc.

**11. Para No.11: Pages 15 & 16 of Audit Report for the year 1998-99; Non-Deduction of Compensation/Late Executing Charges for Rs.600,874/- from Contractors.**

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**3.9.2003** The Department explained that the competent authority after examining the facts had granted extension in time, as per provisions of the contract.

The Committee accepted the explanation and decided to settle the para subject to verification of record by the Audit.

**13.12.2004** The Department explained that as per directions of PAC Audit Officer had verified the relevant record and as per his requirement, completion certificate had also been produced for verification and departmental contention was accepted by the Audit.

**The para was accordingly settled.**

**12. Para No.12: Page 16 of Audit Report for the year 1998-99; Excess Payment of Rs.348,726/- Made Due to Award of Contracts on Higher Rates.**

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**3.9.2003** The Department explained that the tenders for the works in question were called through National Press and approved by the Campus Committee and were awarded to the lowest bidders. Moreover, the tenders cost was within the permissible schedule rates i.e. 230% above the CSR, 1979. The Campus Committee keeping in view the different nature of works and rates had approved these rates of lowest contractors. Hence the payments were made to the Contractors according to their agreement.

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

**13. Para No.13: Page 17 of Audit Report for the year 1998-99; Irregular Appointment of Lecturer and Grant of Pension Amounting to Rs.267,119/-.**

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**3.9.2003** The Audit had pointed out that an employee of Municipal Corporation, Faisalabad while on extra ordinary leave w.e.f. 20.10.1984 to 20.10.1989 was appointed as lecturer on Adhoc basis on 20.10.1984. His services were regularized on 27.10.1988. He was appointed as Assistant Professor on Adhoc basis w.e.f 4.12.1994 and retired from service on 12.6.1996 on superannuation. Rules 3.12(b) of CSR Punjab Vol.I, provides that government servant can not be

appointed substantively on two or more pension-able posts at the same time. His appointment during the period of extra ordinary leave was, therefore, irregular in the University, Pension was also not admissible to him as the service from 30.10.1989 to 12.6.1996 was less than 10 years. His pay and allowances drawn for his appointment during EOL period and gratuity worth Rs.267,119/- were irregularly paid to him.

The Committee was not satisfied with the explanation of the Department given in the working paper and directed that an inquiry should be held to determine the facts of the case and on the basis of the findings of the inquiry report action should be taken under the law including the institution of criminal case against those found responsible for illegal appointment and illegal payment besides the recovery of the amount illegally paid.

The para was kept pending.

**13.12.2004** The Department explained that the University Syndicate had regularized the expenditure on 11.6.2000 and the Audit has verified.

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

**14. Para No.14: Page 18 of Audit Report for the year 1998-99; Loss of Rs.1,286,800/- to University Due to Non-Auction of Cafeteria and Shops.**

**3.9.2003** The Department explained that the canteens/cafeteria in the University Campus were not meant for general public but were meant for the welfare of the students and were being run under the supervision of a Committee, headed by the Director Students Affairs. The said Committee after exhaustive scrutiny had approved the grant of contract to suitable contractor and fixed reasonable rates.

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

**15. Para No.15: Pages 18 & 19 of Audit Report for the year 1998-99; Wasteful Expenditure of Rs.46,233/- on the Construction of Bakery Shop.**

**3.9.2003** The Department explained that the construction of the bakery shop in the University Campus was left incomplete due to non-availability of further funds and other factors.

The Committee discussed the matter and **decided to settle the para.**

**16. Para No.16: Pages 19 & 20 of Audit Report for the year 1998-99; Payment of Rs.169,461/- Due to Irregular Conversion of Extra Ordinary Leave**

**into Full Pay.**

**3.9.2003** The Department explained that the period of extra ordinary leave without pay granted to the officers was later on converted into leave of the kind due by the Syndicate in exercise of its powers under the University statutes.

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

**17. Para No.17: Page 21 of Audit Report for the year 1998-99; Expenditure of Rs.7,271,775/- on Un-Approved Schemes out of Development Fund.**

**3.9.2003** The Audit had pointed out that the development funds provided for the execution of schemes/works in 8<sup>th</sup> five-year Plan (1994-99) were expended on the works/schemes not provided in the PC-I. The expenditure of Rs.7,271,775/- sanctioned by the Vice Chancellor without the approval of statutory body under section 15.3 of the Act was, therefore, irregular.

The Department explained that approval for the execution of the schemes /works were included in the PC-1. The Planning and Development Wing of the University after getting approvals of the competent authority had notified the execution of the schemes/works. Copies of such Notifications and the relevant portion of the budget were approved by the Competent Authority i.e. the University Senate.

Agreeing to the Audit comments, the Committee directed that PC-I should be got revised by the competent authority.

The para was kept pending.

**13.12.2004** The Department explained that in compliance with PAC directions, Higher Education Commission had been approached for revision of PC-I of the terminated project and the matter had been forwarded to the Planning & Development Division for further process and it was still under consideration.

**The para was kept pending.**

**18. Para No.18: Pages 21 & 22 of Audit Report for the year 1998-99; Irregular Advance Payment of Rs.2,492,000/- for Construction of Building Works.**

**3.9.2003** The Department stated that the advances were granted to the officers to carry out different works with the approval of the Vice Chancellor. The works had since been completed and the advances had been adjusted.

The Committee directed that an Audit Officer be deputed for verification of the record at the spot.

The para was kept pending.

**13.12.2004** The Department explained that the University Engineer could not sanction and draw any amount without approval of competent authority and Engineering Construction Department had maintained the log book properly which could be verified. However, for urgent execution of work a Committee had been appointed by the competent authority and the work was awarded to different contractors on Administrative grounds rather than technical basis to avoid delay. It was further explained that an inquiry was being held into the matter.

The Committee directed the Department to finalize the inquiry proceedings within the period of 30 days under intimation to the PAC.

The para was kept pending.

**19. Para No.19: Paged 22 & 23 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.1,044,152/- Due to Appointments on Adhoc During Ban Period.**

**3.9.2003** The Department explained that the audit para was based on two advance paras and explained as under:-

**Part-I Adhoc Appointments (Rs. 767,500/-)**

The Department explained that the Vice Chancellor had made the adhoc appointments in exercise of his powers under section 15(3) of the University of Agriculture, Faisalabad Act, 1973. It was explained that as regular appointments took considerable time under statutory requirements to materialize, adhoc/temporary appointments became inevitable to run the classes and to meet the time specific weather specific requirements of research in crops and livestock. It was further explained that the Chancellor had approved the continuation of these arrangements vide Agriculture Department letter No. SO(R&E) 3(153)88 dated 16.10.1988.

The Committee discussed and **settled this part of the para.**

## Part-II **Appointments During Ban (Rs. 276,651/-)**

The Department explained that due to heavy teaching load in the Laboratory Schools in the University, these teachers were appointed on temporary basis during the ban as the instructions regarding ban on recruitment were not received in the University. However, later on the University terminated the services of all employees appointed during the ban period.

The Committee directed that the appointments made during ban should be got regularized by the Syndicate.

With the above direction, **this part of the para was settled.**

**13.12.2004** Regarding part-II, the case had been regularized by the Syndicate in its meeting held on 20.1.2004 on the grounds that the appointment made during ban had been terminated.

Audit stated that facts had been verified.

The Committee directed the Department to avoid such lapse in future. With the above observation **the para was settled.**

## **20. Para No.20: Page 24 of Audit Report for the year 1998-99; Infructuous Expenditure of Rs.2,556,538/- in Dairy Development Project.**

**3.9.2003** The Department explained that due to increase in the number of students in DVN, M.Sc, Ph.D and Veterinary Assistant Classes, the work load of teaching section was increased. Due to acute shortage of staff, 20 employees from the Dairy Technology Section of the University were transferred to the College of Veterinary Sciences, Lahore. Necessary sanction of the competent authority had been obtained vide Notification No. PS-2(43)2000/16003-II dated 13.11.2000. The Department was directed to get the record in support of its contention, verified by Audit before the next meeting.

The para was kept pending.

**13.12.2004** The Department explained that the posts of Dairy Development Project being utilized in the College had been shifted permanently vide Notification dated 13.11.2000 and also approved by the Syndicate in its meeting dated 29.9.2001.

Audit stated that departmental contention was justified.

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

**21. Para No.21: Page 25 of Audit Report for the year 1998-99; Record of Research Schemes and Development Fund Valuing Rs.145,578,360/- not Produced.**

**3.9.2003** The Audit had pointed out that the relevant record of funds received from Government, University Grants Commission and different organization for promotion of research/development purposes valuing Rs.145,578,360/- was not shown to Audit.

The Department explained that the project in question had since been finalized. The Accountant General Pakistan, Revenue was requested vide letter No. 26/3/92-para D/25298 dated 25.2.1998 to scrutinize and reconcile the expenditure and all the necessary record was produced to the AGPR. The AGPR Islamabad after necessary reconciliation and verification issued reconciliation statement of the said project. As such the expenditure stood verified by the Federal Audit Department.

The Committee directed that an Audit Officer may be deputed for on the spot verification of the record before the next meeting of the Committee.

The para was kept pending.

**13.12.2004** The Department explained that as per decision of PAC dated 3.9.2004 spot verification of the record had been conducted by Audit and out of 271 schemes, a few were checked and observations were issued and three advance paras were reported to the University.

Audit requested that para be kept pending till finalization of the advance paras.

**The para was accordingly kept pending.**

## **Special Audit Report for the year 1998-99**

**22. Para No.1: Pages 3, 4 & 5 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.8.759 Million.**



**3.9.2003** The Audit had pointed out that the representative of Planning & Development Department had not participated in the meetings of the Purchase Committee of the Agriculture Department, therefore, the purchases made and the decisions taken by the said Committee were irregular.

The Department explained that a representative of the P&D Department was duly informed to attend the meetings of the Purchase Committee but he did not attend the meetings. Accordingly the P & D Department was informed that the responsibility for any complication arising out of absence of their representative will lie on them. The Department explained that the representative of the Finance Department attended the meetings of the Purchase Committee and the procurement was made strictly in accordance with the prescribed procedure.

The Committee discussed and **decided to settle the para.**

**23. Para No.2: Pages 5, 6, 7 & 8 of Audit Report for the year 1998-99; Irregular Purchase of 16 Jeeps (1000 CC) and One Car Suzuki (1000 CC) Amounting to Rs.7.837 Million.**

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**3.9.2003** The Audit had pointed out that the Finance Department had imposed ban on the purchase of new vehicles and all durable goods during the year 1997-98 either under development or non-development schemes.

The Department explained that the purchase of vehicles was included in the original PC-I of the project "Agriculture Research Project Phase-II" approved by the ECNEC in 1991. The project was revised during the year 1997-98 and was approved by the PDWP in its meeting held on 16.8.1997 and its administrative approval issued by the Finance Department on 19.8.1997.

The Committee discussed and **decided to settle the para.**

**24. Para No.3: Pages 8 & 9 of Audit Report for the year 1998-99; Over Payment of Rs.0.956 (Million) and Recovery Thereof.**

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**3.9.2003** The Department explained that the quantities of the items were purchased in accordance with the provisions made in the PC-I of the project. The relevant record was checked by the Audit during the meeting.

**The para was accordingly settled.**

**25. Para No.4: Pages 10 & 11 of Audit Report for the year 1998-99; Overpayment of Rs.0.956 (Million) and Non-Recovery of Liquidated Damages of Rs.0.037 Million.**

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**3.9.2003** The Department explained that the contention of the Audit that the total value of the offer for spare parts of bulldozers was Rs.10.156 million which remained the same in the revised offer was not correct. Actually the value of the offered rates was Rs.12.696 million and the firm agreed to reduce the same by 20% as such the total value of offered rates was reduced to Rs.10.156 million.

The Committee discussed and **decided to settle the para.**

**26. Para No.5: Pages 11 & 12 of Audit Report for the year 1998-99; Loss of Rs.0.174 Million Due to Purchase of Equipment at Higher Tender Rates and Recovery thereof.**

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**3.9.2003** The Department explained that the lowest offers were ignored because the equipment offered was of local origin and did not fulfill the specifications given in the tender inquiry.

The Committee discussed and **decided to settle the para.**

**27. Para No.6: Pages 12 & 13 of Audit Report for the year 1998-99; Non-Deduction of Income Tax Rs.0.145 Million and Recovery thereof.**

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**3.9.2003** In its latest comments given in the working papers, the Audit had verified the Tax Exemption Certificate produced by the supplier.

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

**28. Para No.7: Pages 13 & 14 of Audit Report for the year 1998-99; Recovery of Liquidated Damages Amounting to Rs.0.223 Million.**

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**3.9.2003** The Department explained that the actual recoverable amount of Rs.137,971/- as per law/rules had since been recovered.

The Department was directed to produce the relevant record in support of its contention to Audit for verification.

**The para was settled subject to verification by Audit.**

**29. Para No.8: Pages 14 & 15 of Audit Report for the year 1998-99; Non Forfeiture of Security of the Supplier Worth Rs.0.075 Million.**

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**3.9.2003** The Department explained that the security of the firm amounting to Rs.75000/- had since been forfeited. The Audit wanted to see Treasury Challan and Credit verification.

The Department was directed to produce the requisite documents to Audit.

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

**30. Para No.9: Page 15 of Audit Report for the year 1998-99; Recovery of Rs.37,835/- Due to Purchase of Equipment on Higher Rates.**

**3.9.2003** The Audit had contended that the Wheat Thresher was purchased for Rs.91,000/- while another Wheat Thresher was purchased for Rs.68,990/-, as such Rs.22,010/- had been paid in excess.

The Department explained that first Wheat Thresher was purchased on 26.2.1998 for Rs.91,000/- while the second was purchased on 2.5.1998 for Rs.68,900/-. In both the cases, the equipment had been purchased after vide publicity and strictly in accordance with the provisions of the Purchase Manual. The difference in rates was due to market conditions.

The Committee discussed and **decided to settle the para.**

### **Audit Paras (Commercial) for the year 1998-99**

**31. Para No.3: Page 5 of Audit Report for the year 1998-99; Non-Compilation of Accounts**

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**3.9.2003** The Department explained that the accounts mentioned in the audit para had since been submitted to the Commercial Audit Department.

The Committee directed the Department to ensure timely submission of accounts to the Audit in future.

With the above direction, **the para was settled.**

**32. Para No.6: Page 15 of Audit Report for the year 1998-99; Misappropriation/shortage of spare parts, empty drums and POL worth Rs.0.536 million.**

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**3.9.2003** The Department explained that an inquiry was held against the concerned official, Mr. Maqsood Ahmed, Unit Supervisor and the Authority imposed the following major penalties:-

- i) Compulsory retirement from service with immediate effect
- ii) Recovery of Government loss amounting to Rs.329504/92 which shall be recovered in lump sum from the accused.

The Department further explained that Mr. Maqsood Ahmed, ex-Unit Supervisor had filed an appeal in the Labour Court No. 2 against the orders dated 17.10.2002. The next date of hearing was 16.9.2003.

The Department also stated in the meeting that the accused official had also filed an appeal in the Punjab Service Tribunal where the next date of hearing was 4.9.2003.

The Committee directed that the cases be followed up vigorously. And if the case had been filed by the accused in an irrelevant court, the higher court may be moved to discharge the case in the irrelevant court.

The para was kept pending.

**13.12.2004** The Department explained that as a result of inquiry proceeding major penalty had been imposed on the accused officer but he had filed an appeal in the Supreme Court against the decision of Punjab Service Tribunal. However, DCO Layyah had been requested to recover the amount from the accused officer as arrears of land revenue.

**The para was kept pending for recovery of outstanding amount.**

**33. Para No.7: Page 16 of Audit Report for the year 1998-99; Non-recovery of Rs.383,858/- on account of misappropriation of bulldozer hire charges and cost of diesel oil by ex-unit supervisor.**

**3.9.2003** The Department stated that the official Rana Iftikhar Hussain, Unit Supervisor was proceeded under the Punjab Civil Servants (E&D) Rules and the following penalties were imposed:-

- i) Removal from Service and recovery of Rs.121344/- vide order dated 10.4.1997.
- ii) Recovery of Rs.138,640/- vide order dated 25.10.1997.

- iii) Recovery of Rs.123,874/- vide order dated 23.12.1997  
Total Rs.383,858/-

The Department further explained that District Coordination Officer, Sheikhpura had been moved for effecting recovery as arrears of land revenue.

The Department further explained that the appeal filed by ex-official in the Punjab Service Tribunal against the order of his removal from service was dismissed. Now his CPLA in the Supreme Court of Pakistan was pending.

The Committee decided to keep the para pending till the decision of Supreme Court and completion of the recovery.

**13.12.2004** The Department explained that EDO (Rev), Sheikupura had been requested for recovery as arrears of land revenue and the accused official had filed an appeal in Supreme Court.

The Committee directed the Department to effect recovery as arrears of land revenue and pursue the case in court vigorously.

**The para was kept pending.**

**34. Para No.8: Page 16 of Audit Report for the year 1998-99; Loss of Rs.177,233/- due to change of genuine piston sets with local made sets.**

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**3.9.2003** The Department explained that in the departmental inquiry, the charge of replacement of genuine piston sets with the local made piston set was not proved and the accused official was exonerated by the Director Agricultural Engineering, Faisalabad vide order dated 12.1.2000. However, during the meeting, the Department admitted that the above mentioned inquiry report was not correct and the matter was being re-examined.

The Committee directed that the inquiry/action into the matter under the law/rules should be completed within three months.

The para was kept pending.

**13.12.2004** The Department explained that the matter was re-investigated which revealed that all the pistons purchased were genuine and their performance was satisfactory.

Audit stated that facts had been verified.

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

**35.           Para No.9: Page 17 of Audit Report for the year 1998-99;**

**(i)       Revenue loss of Rs.101,088 due to unjustified idleness and misuse of machine.**

**(ii)      Non recovery of hire charges of Rs.198,000/-.**

**3.9.2003**       The Audit observed that Agricultural Engineering Workshop, Multan Division handed over the Machine No. NKD-168 to the Operator of Agricultural Mechanization Research Institute, Multan in January 1994 for executing the deep cultivation work at Okara, Pak Pattan, Sahiwal and Khanewal Districts but the Director General, Agriculture Field, Punjab instructed on 1 February 1994 to shift the machine at Depalpur for an ex-Member District Council Okara. As per proforma bill dated 13 November 1998 the aforesaid machine remained with AMRI during the period from 14 February 1994 to 26 April 1994 from Meter reading 11986 to 12370. Thus due to detaining the machine by 384 hours by AMRI, the Government had to sustain a loss of Rs.101,088/- ( Rs.198/- per hour + loader charges of Rs.35,056/-). The Audit further observed that the said machine also remained with the same Ex-Member, District Council during the period from 7<sup>th</sup> July 1994 to 6 November 1994 but the Management had not lodged the claim of Rs.198,000/-.

The Department explained that the said machine along with bulldozer was shifted to the virus affected areas of District Okara by the order of the Chief Minister dated 5.7.1993 and subsequent order of Secretary Agriculture dated 12.7.1994.

The Committee directed that an inquiry in the case should be conducted to fix responsibility for the irregularities pointed out by Audit and to make the recovery of the Government dues, if established. The above action should be completed within three months.

The para was kept pending.

**13.12.2004**   The Department explained that as per findings of the inquiry conducted into the matter, the machine No. NKD-168 along with a bulldozer was shifted to virus effected areas of Depalpur and Okara by the order of the then Chief Minister Punjab and no irregularity was noticed.

The Committee accepted the departmental reply and **the para was settled.**

**36. Para No.10: Page 18 of Audit Report for the year 1998-99; Loss of Rs.187,891/- due to misuse of loader.**

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**3.9.2003** In its latest comments, the Audit had pointed out that the entries of Rs.126,991/- had been justified by Department and verified by Audit and whereas an amount of Rs.60,900/- remained unjustified.

The Department assured in the meeting that the balance amount would be recovered within three months.

The para was accordingly kept pending for balance recovery.

**13.12.2004** The Department explained that Audit had miscalculated the recoverable amount and out of actual recoverable amount, partial recovery amounting to Rs.22,185/- had been effected whereas efforts were being made for recovery of outstanding amount from the concerned officer and inquiry against him was under process.

**The para was conditionally settled subject to recovery of outstanding amount and verification of record by Audit.**

**37. Para No.11: Page 18 of Audit Report for the year 1998-99; Non recovery of loader charges amounting to Rs.499,583/- from the beneficiaries.**

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**3.9.2003** In its latest comments, the Audit had reported that the hiring charges of the loader amounting to Rs.113,419/- had been recovered by the Department and an amount of Rs.283,765/- being hire charges for 9785 k.m regarding desilting campaign could not be justified.

The Department explained that the matter of hire charges of the balance amount was being re-examined and the actual recoverable amount would be recovered.

The Department was directed to complete the necessary action in the matter under the law/rules within three months.

The para was kept pending.

**13.12.2004** The Department explained that recovery of actual outstanding amount had been effected and the remaining mileage covered by both the loaders pertain to desilting campaign and official duties and the facts had been verified by Audit.

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

**38. Para No.37: Pages 41 & 42 of Audit Report for the year 1998-99; Working results.**

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**3.9.2003** The Audit observed that the Agriculture Division, Bahawalpur sustained a net loss of Rs.0.486 million in 1998-99 as against net profit of Rs.12.395 million in 1997-98 due to decrease in working hours and increase in consumption of stores, spares and POL.

The Department explained that a number of machines have completed more than their normal economic lives. These dozers required under carriage components for producing the better working efficiency but day to day frequent breakage /repairing of parts etc. of machinery performance was badly affected resulting in less achievement of 12985 hours. The Department further explained that the increase of expenditure was due to escalation of rates of POL and spare parts.

The Committee discussed and **decided to settle the para.**

**39. Para No.38: Page 42 of Audit Report for the year 1998-99; Working results.**

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**3.9.2003** The Audit observed that the subsidy was calculated on the basis of hire charges at commercial rates instead of full hire rates which was not justified.

The Department explained that as per directive of the adhoc PAC, the matter had been referred to the Finance Department for advice.

The Committee directed that the Finance Department should apprise the Committee of the decision taken in the matter in the next meeting.

The para was kept pending.

**13.12.2004** The Department explained that as per directions of PAC-I Finance Department had constituted a Committee on 17.8.2004 to resolve the matter and final decision from the competent authority was awaited.

**The para was kept pending.**

**40. Para No.39: Page 42 of Audit Report for the year 1998-99; Working results.**

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**3.9.2003** The Audit observed that stores and spares of Rs.3.933 million were received from



other sources during 1998-99 but no reconciliation was conducted with the concerned agencies similarly stores and spares of Rs.2.024 million were issued to other Divisions but no acknowledgement was obtained from recipient Divisions. The Department explained that the stores and spare parts received for Rs.3.933 million had properly been entered and accounted for in the store book/ledgers and the acknowledgement of stores and spare parts of Rs.2.024 million issued to other Divisions have been obtained and verified by the Commercial Audit Department.

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

**41. Para No.40: Page 42 of Audit Report for the year 1998-99; Working results.**

**3.9.2003** Audit had pointed out that the outstanding balance of Rs.532,711/- had not been recovered from the parties concerned.

The Department explained that this Audit para comprised of five parts and explained as under:-

(i) Recovery under tubewell Scheme from Zamindars (Rs.83,228/-)

Audit had verified the recovery. The Committee settled this part.

(ii) Hire Charges of bulldozers used for flood emergency by Irrigation Department (Rs.70,587/-).

The Department explained that efforts were being made to recover the amount through the Finance Department.

This part was kept pending.

(iii) Hire Charges of Bulldozers from Army (Rs.149,068/-)

The Department explained that a summary had been moved to the Governor for writing off the amount.

The Committee made no comments.

(iv) Cash Embezzlement (Rs.145,940/-)

The Department explained that the accused Mr. Khuda Bakhsh Atif, Ex-Cashier had absconded. Efforts were being made to recover the amount as arrears of

land revenue. On a query, the Department stated that an FIR had also been lodged against the accused.

This part was kept pending for recovery.

(v) Shortage of Store (Rs.83,888/-)

In its latest comments, the Audit had verified the recovery of Rs.83,888/-.

This part was settled.

**13.12.2004** The Department explained the item-wise position as under:-

- i) Recovery had already been effected and verified by Audit.
- ii) Recoverable Amount on account of higher charges of bulldozers used for flood emergencies had been deducted at source by the Finance Department.
- iii) A summary for write off sanction of the amount pertaining to higher charges of bulldozers form Army had been sent to the Chief Minister and decision was awaited.
- iv) In case of cash embezzlement, DCO Bahawalnagar was being pursued for recovery as arrears of land revenue.
- v) Recovery had already been verified by the Audit.

**The Committee settled the part-i, ii and v of the para, whereas part-iii & iv were kept pending for necessary action.**

**42. Para No.41: Page 42 of Audit Report for the year 1998-99; Working results.**

**3.9.2003** The Audit observed that as repeatedly pointed out in Previous Years' Audit Reports the books accounts have not been maintained on commercial pattern.

The Department pointed out that similar nature of paras for the year 1996-97 were discussed in the PAC held on 9.10.2001. The PAC settled the para and directed that Finance Department in consultation with the Administrative Department and Audit Department should decide within two months whether there was need for maintaining commercial accounts in this field of activity. The matter was referred to the Finance Department for appropriate action but the decision was still awaited. The representative of the Finance Department apprised the Committee that the matter would be decided in consultation with the Controller General of Accounts, Government of Pakistan. The Committee directed that the progress of the matter may be explained in the next meeting.



The para was kept pending.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

**43.            Para No.42: Page 43 of Audit Report for the year 1998-99; Working\_**  
**results.**

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**3.9.2003**        The Audit observed that the subsidy was calculated on the basis of hire charges at commercial rates instead of full hire rates which was not justified.

The Department explained that as per directive of the adhoc PAC, the matter had been referred to the Finance Department for advice.

The Committee directed that the Finance Department should apprise the Committee of the decision taken in the matter in the next meeting.

The para was kept pending.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

**44.            Para No.43: Page 44 of Audit Report for the year 1998-99; Working\_**  
**results.**

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**3.9.2003**        The Audit observed that the consolidated Fixed Assets Register at Divisional level showing the historical cost of each asset, date of acquisition of assets, depreciation for the year accumulated depreciation and written down value had not been maintained in spite of the fact that a proforma was devised by Audit and circulated among the Agri. Engg. W/shops for their guidance and compliance.

The Department stated that assets registers on Divisional level as per direction of Audit Department had been prepared and were available for verification by the Audit.

On recommendation of Audit, the para was settled.

**45.            Para No.44 Page 44 of Audit Report for the year 1998-99; Working\_**  
**Results**

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**2.8.2004** The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the paras be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

#### **46. Para No.45 Page 44 of Audit Report for the year 1998-99; Working Results**

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**2.8.2004** Audit had pointed out that stores worth Rs.2,841,114/- were received from other divisions but no reconciliation was made with the concerned division.

The Department explained that the stores received from other divisions had properly been entered/counted for in the stock registers.

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

#### **47. Para No.46 Page 44 of Audit Report for the year 1998-99; Working Results**

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**2.8.2004** The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the paras be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

#### **48.            Para No.47 Pages 45 & 46 of Audit Report for the year 1998-99; Working Results**

**2.8.2004**        Audit had pointed out that the Agricultural Engineering Division, Faisalabad had sustained losses since its inception except in 1995-96 when it showed a profit.

The Department quoted facts and figures about performance of bulldozers in the Division in the Years 1999-2002 i.e the target and the hours worked and stated that after repair performance of bulldozers had improved and now some administrative measures had been taken and losses had gradually come down as was evident from the performance of subsequent years.

Finance Department suggested that the Department should certify the fact of less working hours for valid reasons and should furnish a detailed report in this behalf.

The Committee directed the Department that a detailed report covering all aspects of the issue as well as whether or not bulldozers remained standing idle inspite of the requests of the farmers be submitted in next PAC meeting.

The para was kept pending.

**13.12.2004**    The Department explained that as per directions of PAC-I a detailed report had been prepared indicating that machines of division had actually remained under repair resulting in decrease of progress.

The Committee accepted the departmental reply and **the para was settled.**

#### **49.            Para No.48 Page 46 of Audit Report for the year 1998-99; Working**

## **Results**

**2.8.2004** The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the paras be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

## **50. Para No.49 Page 46 of Audit Report for the year 1998-99; Working Results**

**2.8.2004** Audit had pointed out that reconciliation/verification of figures of income and expenditure with District Accounts Offices was required.

The Department explained that necessary reconciliation had been done with District Accounts Officer, Faisalabad/Treasury Officers, Jhang and T.T. Singh.

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

## **51. Para No.50 Page 46 of Audit Report for the year 1998-99; Working Results**

**2.8.2004** Audit had pointed out non-reconciliation and non-confirmation of stores received

and issued respectively.

The Department explained that necessary reconciliation and acknowledgement/confirmation in respect of the stores had been carried out. The requisite record was available for verification.

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

**52.            Para No.51 Page 46 of Audit Report for the year 1998-99; Working Results**

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**2.8.2004**      Audit had pointed out that no consolidated register showing the cost of each asset had been maintained by the Division

The Department explained that as per the directions of the Audit the Assets Registers on the divisional level had been prepared and were available for verification.

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

**53.            Para No.52 Page 46 of Audit Report for the year 1998-99; Working Results**

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**2.8.2004**      The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the paras be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004**    The para was kept pending with the direction that the progress regarding

**maintenance of commercial accounts may be explained in the next meeting.**

**54.            Para No.53 Pages 47 & 48 of Audit Report for the year 1998-99;  
Working Results**

**2.8.2004**      Audit had pointed out that Agricultural Engineering Division, Lahore had been continuously sustaining losses since inception.

The Department stated that consistent efforts were being made to improve working efficiency of workshops by upgrading and strengthening.

The Committee observed that this para was identical in nature to para 47 and directed the Department to submit a report as per directions in respect of the said para in next PAC meeting.

The para was kept pending.

**13.12.2004**    The Department explained that as per directions of PAC-I a detailed report had been prepared indicating that machines of division had actually remained under repair resulting in decrease of progress.

The Committee accepted the departmental reply and **the para was settled.**

**55.            Para No.54 Page 48 of Audit Report for the year 1998-99; Working  
Results**

**2.8.2004**      Audit had pointed out that the machines of the Agricultural Engineering Division, Lahore remained under repair/idle during most of the period resulting in decrease in their working hours.

The Department explained that most of the bulldozers were old and required frequent repair/maintenance. However, after adequate measures, the working hours of bulldozers increased during the subsequent years. The study mission of Japan had visited the workshops and efforts for up-gradation were being made. The Department assured that performance would be improved in coming years.

On the assurance of the department, **the para was settled.**

**56.            Para No.55 Page 48 of Audit Report for the year 1998-99; Working**



## **Results.**

**2.8.2004** The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the para be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

## **57. Para No.56 Page 48 of Audit Report for the year 1998-99; Working Results.**

**2.8.2004** Audit had pointed out that obsolete stores worth Rs.884,381/- were auctioned for Rs.106,500/- thus sustaining a loss of Rs.777,881/-.

The Department explained that fleet of Fiat bulldozers, on completion of its life, was auctioned after fulfilling prescribed procedure. However, the spare parts received along with the bulldozers available in stock became surplus/obsolete which were disposed off through open auction fetching a price much above the reserve price assessed by competent authority. Thus no loss was sustained by the department.

Audit verified the departmental contention.

**The para was settled.**

## **58. Para No.57 Page 48 of Audit Report for the year 1998-99; Working Results.**

**2.8.2004** Audit had pointed out that no confirmation/acknowledgement in respect of stores issued to and received from other Divisions was obtained.

The Department explained that necessary confirmation/acknowledgement had been obtained and accounted for in the store books.

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

**59.            Para No.58 Page 48 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** Audit had pointed out that record about withdrawals of amounts from and remittances into treasury was not produced.

The Department explained that the withdrawal/adjustment and remittance of the amount pointed out by audit were got reconciled with the office of AG, Punjab, Lahore, District Accounts Officers/Treasury Officers, concerned. The record was available for verification.

Audit verified the contention of the Department.

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

**60.            Para No.59 Page 48 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** Audit had pointed out that no consolidated register showing historical cost of each asset had been maintained by the Division.

The Department explained that the requisite Assets Register at divisional level as per instructions of Audit had been maintained.

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

**61.            Para No.60 Page 48 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the



Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the para be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

## **62. Para No.61 Pages 49 & 50 of Audit Report for the year 1998-99; Working Results.**

**2.8.2004** The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the para be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

**63. Para No.62 Page 50 of Audit Report for the year 1998-99; Working Results.**

**2.8.2004** Audit had pointed out that the schedule of fixed assets had not been prepared correctly.

The Department explained that the schedule of fixed assets had been prepared as per observations of Audit.

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

**64. Para No.63 Page 50 of Audit Report for the year 1998-99; Working Results.**

**2.8.2004** Audit had pointed out that virtually no progress had been made to recover the amount under the head Sundry Debtors which stood at Rs.652,437/- for the last several years.

The Department explained that an amount of Rs.86,503/91 had been recovered and efforts were being made to recover the balance amount, most of which were outstanding against government departments/organizations. Finance Department pointed out that the department could move for book transfer in respect of Punjab Government Departments/Organizations.

The Committee directed the department to take necessary action in the light of observations of Finance Department and speed up the recovery process under intimation to PAC.

The para was kept pending.

**13.12.2004** The Department explained that para was reduced to Rs.565,933/- in the last meeting and gave item-wise explanation as under:-

- i) Out of total recoverable amount against Nawab Nasim Ahmed Qureshi a sum of Rs.4,165/- had been recovered and DO(Rev), Khanewal/Multan had been requested for balance recovery as arrears of land revenue.
- ii & iii) As per directions of PAC-I, the matter had been taken with Finance Department for deduction of amount at source/book adjustment.
- iv) In case of XEN Irrigation Shujaabad, the matter had been taken up with Finance Department for deduction at source and decision was awaited.
- v) In case of Defence Authority, a summary for write off of the outstanding amount had been sent to the Chief Minister and decision was awaited.

**The Committee settled part-ii, iii & iv subject to at source deduction/book adjustment by Finance Department while part-v was settled subject to write off sanction by the Chief Minister and part-i was kept pending for necessary action.**

**65.            Para No.64 Page 50 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**      The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the para be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004**    The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

**66.            Para No.65 Page 50 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**      Audit had pointed out that record about reconciliation and verification of accounts was not produced to audit.

The Department explained that all the expenditure figures had been reconciled with District Accounts Officers and got verified by the Audit.

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

**67.            Para No.66 Page 50 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** Audit had pointed out that reconciliation/acknowledgement about stores received from and transferred out of division had not been done.

The Department explained that the stores worth Rs.6,939/- million received from other sources/divisions was properly entered and accounted for and acknowledgement of stores worth Rs.971,263/- transferred out of division was also available.

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

**68.            Para No.67 Page 51 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** The Department explained that out of 37 bulldozers, 32 had covered more than their economical/useful life and frequently went out of order. Due to time involved in repair, the working hours in 1997-98 came down to 27183 as compared to 35168 in 1996-97. The performance of the division, however, improved in subsequent years.

Audit showed satisfaction over the performance of the Division.

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

**69.            Para No.68 Page 52 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the paras be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

**70. Para No.69 Page 52 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** Audit had pointed out that reconciliation/acknowledged about stores received from and issued to other Divisions was not done/obtained.

The Department explained that the stores and spares received were entered in the relevant stores book and confirmation/acknowledgements of the stores issued to other divisions was also available.

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

**71. Para No.70 Page 52 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** Audit had pointed out that a new loader of Rs.1.800 million stolen away in December 1995 had been included in the fixed assets without indicating its non-existence with the division.

The Department explained that a separate entry of the loader as pointed out by audit had been made in Proforma accounts for the year 2002-2003.

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

**72. Para No.71 Page 52 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the para be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was

also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

**73. Para No.72 Page 53 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** Audit had pointed out that the profit earned by the division sharply declined from Rs.2.654 million in 1997-98 to Rs.0.227 million in 1998-99 which needed to be justified.

The Department quoted necessary facts and figures about the working of the machines and contended that the machines could not cover targeted hours as most of them had completed their economic lives. However, progress in subsequent years had improved.

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

**74. Para No.73 Page 53 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the para be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.



**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

**75.            Para No.74 Page 54 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**      Audit had pointed out that neither reconciliation about stores received was made nor acknowledgement of stores transferred to other Divisions was obtained.

The Department explained that necessary reconciliation etc. had been done which stood verified by audit.

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

**76.            Para No.75 Page 54 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**      The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the paras be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

**77.            Para No.76 Page 54 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** Audit had pointed out that neither verification of figures of remittances into treasury nor reconciliation of expenditure booked was produced to audit.

The Department explained that the income/expenditure statements duly verified by the Treasury Officers and District Accounts Officers had been reconciled and verified by Audit.

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

**78. Para No.77 Pages 55 & 56 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** Audit in the light of comparison of income and expenditure figures of Agricultural Engineering Division, Talagang had pointed out the disproportionate increase in expenditure especially in stores and spares from Rs.8.115 million in 1996-97 to Rs.17.399 million in 1997-98 which needed justification.

The Department explained that expenditure on account of stores and spares increased due to increase in hours worked from 39886 hours in 1996-97 to 45807 hours in 1997-98. Further, due to increase of 5921 hours, the expenditure on POL also increased. The Department further stated that in spite of the above mentioned constraints, the profit of the division increased from 0.303 million to 0.536 million as well as achievement by 5921 hours.

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

**79. Para No.78 Page 56 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** The Department stated that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the para be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the para was kept pending with the direction that the issue

be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The para was kept pending with the direction that the progress regarding maintenance of commercial accounts may be explained in the next meeting.

**80.            Para No.79 Page 56 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**        Audit had pointed out that out of 61 bulldozers, 26 KOMATSU D 50A-16 bulldozers had completed their life and their retention was un-economical as well as sheer wastage of government funds on their up-keep.

The Department explained that a Committee had already recommended to declare 23 D 50A-16 bulldozers as unserviceable and the issue of remaining 3 bulldozers was held up for want of finalization of inquiry proceedings.

The Committee directed that the process of the auction of these bulldozers be completed within 60 days under intimation to PAC.

The para was kept pending.

**13.12.2004** The Department explained that the matter of unserviceable bulldozers had been taken up with Finance Department to allow their sale and Finance Department desired to seek relaxation from the Chief Minister and a summary for the purpose had been submitted to the Chief Minister which was under consideration.

**The para was kept pending.**

**81.            Para No.80 Page 56 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**        Audit had pointed out that consolidated Assets Register showing historical cost etc of each asset had not been maintained.

The Department explained that the requisite register had since been prepared.

On the verification and recommendation of audit, **the para was settled.**

**82.            Para No.81 Page 56 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004** The Department stated that while considering similar nature of Paras for the year 1996-97, PAC in its meeting held on 9, 10 January 2001 had directed that Finance Department in consultation with Administrative Department and Audit should jointly resolve certain issues i.e. functioning/maintenance of accounts of field wing of Agriculture Department on commercial pattern. Accordingly, the Finance Department had been requested to constitute a Committee to resolve this matter. The department requested that the paras be kept pending till next meeting.

Finance Department observed that after declaration of Field Wing as commercial concern since 1980, its audit was being done on commercial basis. It was lapse on the part of the department that neither accounts were being maintained on commercial pattern nor performance was being shown as commercial unit and resultantly, with the passage of time, the machinery was also getting obsolete. Now department had sent a reference for the constitution of a Committee which was under consideration.

After detailed discussion, the aforesaid para was kept pending with the direction that the issue be resolved by Finance Department in consultation with the Administrative Department and Audit at the earliest.

**13.12.2004** The Department explained that in compliance with PAC direction, the matter had been referred to Finance Department and a summary had been submitted to the Chief Minister for settlement of the issue but the decision was awaited.

**The para was kept pending till decision of the Chief Minister.**

### **GENERAL OBSERVATION.**

**13.12.2004** During the meeting, representative of Finance Department suggested that instruction may please be issued to all the Departments also to provide soft copies of the compliance reports of Audit paras to Finance Department to facilitate compilation of implementation reports.

The Committee agreed with this proposal and directed that instructions be issued accordingly.

## **PUNJAB SEED CORPORATION**

**83. Para No.12 Pages 18 & 19 of Audit Report for the year 1998-99; Loss of Rs.3.057 million due to short receipt of spare parts of Acid Delinting Plants.**

**2.8.2004** The department explained that 2 acid delinting plants were to be installed through

an international American firm M/s WS International which abandoned the work and left for USA leaving the trial operation incomplete without commissioning or carrying out performance and final acceptance test without handing over the Plant and imparting training to the PSC staff. Many notices were served to the firm from January to May 1995 and finally the contract was rescinded w.e.f. 4.6.95 The remaining work at the risk and cost of original contract was assigned to M/s National Engineer, a Pakistani firm. The security of the M/s W.S. International amounting to Rs.4.08 million had been forfeited and adjusted against the short supply.

The Department further stated that claim of Rs.33.981 million against the American firm had been lodged. In case no response was received from the said firm, further action would be taken in the light of the provisions of Arbitrations Act.

The Committee settled Ist part of the para pertaining to encashment of bank guarantees of the defaulter firm and kept the second part pending with the direction to the Department to submit further progress of arbitration proceedings against the firm within 60 days to PAC.

**13.12.2004** The Department explained that Mian Allah Nawaz, (Retd.) Chief Justice had been appointed as Soul Arbitrator in the matter regarding its claim against M/S W.S International and the firm had been intimated to appoint their Arbitrator within 15 days and next date of hearing had been fixed for 2.12.2004.

**The para was kept pending till completion of the arbitration proceedings.**

**84.            Para No.87 Page 59 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**        Audit had pointed out that the profit of the corporation was continuously showing decreasing trend.

The Department explained that the sale prices of major crops i.e wheat, cotton seed remained the same during 1998-99 as were in 1997-98. However, the cost of sales increased due to various factors such as increase of Rs.4,295/- per M. Ton in procurement price of seed cotton, depreciation of Acid Delinting Plant, Khanewal which was included in cost of sales, increase in cost of electricity consumed on processing plants, increase in labour transport expenses and increase in prices of fertilizers & pesticides etc.

Audit stated that justification regarding disproportionate increase in cost of sales seemed reasonable.

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

**85.            Para No.88 Page 59 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**      Audit had pointed out that the stock in trade increased from Rs.495.917 million as on June 30, 1998 to 564.924 million on June 30, 1999 likewise stores and spares also increased from Rs.85.328 million on June 1998 to 97.498 million on 30-6-1999. The blockage of funds in such accounts needed to be minimized.

The Department explained that as per business cycle of the Corporation, wheat seed was procured in May, June in large volume which was sold in the next financial year. Hence the stock problem. However, import of spare parts had been stopped for the last four years which now were being purchased from Sialkot and Gujranwala.

Audit in the meeting agreed with departmental contention.

**The para was accordingly settled.**

**86.            Para No.89 Page 60 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**      Audit had pointed out that tenants of 5300 acres agriculture land of Khanewal Farms did not hand over share of Corporation in May 1999 and an incident of theft of wheat valuing Rs.1,292,102/-also took place. Audit emphasized recovery from those found responsible.

The Department explained the position in detail pertaining to various demands of Pattedars and their refusal at one point of time to hand over the share of wheat seed to PSC. However, as a result of debiting of Rs.1,263,700/- to the Pattedars on 31.1.2000 through Army Monitoring Cell and adjustment of an amount of Rs.95,925/-, the balance amount to be recovered was Rs.37,117/-.

The Committee observed that the Department may refer the case for write off in respect of the balance amount.

The para was kept pending.

**13.12.2004**    The Department explained that the case was being submitted to the PSC Board of Directors for write off of the recovery from tenants.

**The para was conditionally settled subject to write off sanction by the Board of Directors.**

**87.            Para No.90 Page 60 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**      Audit had pointed out that pesticides valuing Rs.1,698,625/- expired in store before utilization but the same were shown as used which needed investigation.

The Department explained that the pesticides were used in perfect condition as they remained intact and did not loose their efficiency. The Department added that in future necessary tests would be got done from some outside laboratory.

The Committee accepted the explanation of the Department and **settled the para with the direction that due care should be exercised in future while purchasing the pesticides.**

**88.            Para No.91 Page 60 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**      Audit had pointed out that keeping of cash and bank balances of the Corporation in current accounts which stood at Rs.58.284 million on June 30, 1999, while earning no interest needed justification.

The Department explained that the accounts in different banks were P&L sharing accounts and not current accounts. PSC earned Rs.3.776 million as profit on these bank accounts during 1998-99.

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

## **Punjab Agricultural Development and Supplies Corporation (Defunct)**

**89.            Para No.82 Page 57 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**      Audit had pointed out that Punjab Agricultural Development & Supplies



Corporation stood dissolved w.e.f 11.4.1998, but the accumulated losses of Rs.1586.692 million for the year 1997-98 had increased to Rs.2237.439 million up to 2001-02.

The Department explained that the corporation was dissolved in 1998 and at present only 7 employees were working to deal with the court cases and to maintain office record etc. The Department suggested that these 7 employees could be adjusted against the vacant posts in Agricultural Department.

Finance Department observed that the accounts had not yet been closed which should be closed now.

The Committee agreeing with the proposal of Finance Department directed the Department to close the accounts and also to adjust the employees presently looking after the affairs of the defunct Corporation.

The para was kept pending.

**13.12.2004** The Department explained that a cell comprising seven ex-employees was set up to handle the courts cases, Audit paras claims record and heavy stock of fertilizers and therefore retention of staff was necessary to look after these affairs till the accounts were finally closed.

The Committee agreed with departmental contention to retain the staff till the accounts were finally closed.

**The para was kept pending.**

**90.            Para No.83 Page 57 of Audit Report for the year 1998-99; Working Results.**

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**2.8.2004**      Audit had pointed out that the misc. income decreased from Rs.29.645 million in 1996-97 to Rs.14.688 million in 1998-99 which needed justification.

The Department gave detailed justification about the five components of miscellaneous income and stated that reduction in certain sub-heads of misc. income was caused due to unavoidable circumstances and there were no irregularity on the part of the PAD & SC employees.

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

**91.            Para No.84 Page 58 of Audit Report for the year 1998-99; Working**



## **Results.**

**2.8.2004** Audit had pointed out that the operational expenditure of the corporation included the shortages of losses to the tune of Rs.50.198 million which needed to be investigated.

The Department explained the details of various criminal cases registered against the defaulter officers/officials which were pending in different courts. Apart from the registration of criminal cases, departmental disciplinary cases under dissolution order/golden hand shake scheme had been finalized against the concerned officials and their total payable dues had been confiscated towards loss sustained by the Corporation.

The para was kept pending as matters were sub-judice in courts of law.

**13.12.2004** The Department explained that the matter involved several court cases which were being pursued vigorously.

**Being sub-judice the para was kept pending.**

### **92. Para No.85 Page 58 of Audit Report for the year 1998-99; Working Results.**

**2.8.2004** Audit had pointed out that the corporation earned no commission on sale of seed in current year as against Rs.3.156 million in the previous year.

The Department explained that PAD & SC used to purchase seed from Punjab Seed Corporation on commission basis and during 1996-97 and 1997-98 PAD & SC earned commission amounting to Rs.3.156 million and Rs.2.072 million respectively on sale of wheat seed.

**On the verification and recommendation of audit, the para was settled.**

### **93. Para No.86 Page 58 of Audit Report for the year 1998-99; Working Results.**

**2.8.2004** Audit had pointed out that out of closing stock of pesticide of Rs.20.908 million, a negligible quantity valuing Rs.0.093 million only was sold leaving huge balance of Rs.20.815 million which indicated that the pesticides stock either was not in keeping with the requirement of the farmers or had expired due to long storage.

The Department explained that PAD & SC entered in pesticides business in 1985-86

and continued upto 1988-89. The left over pesticides worth Rs.21 million were lying since 1989 in deteriorated/dilapidated condition due to long storage which obviously had no value at present.

The Committee directed the Department to move a case for write off of the loss to the Finance Department.

The para was kept pending.

**13.12.2004** The Department explained that in compliance with PAC direction a case for write off had been submitted to the Finance Department which was under process.

**The para was conditionally settled subject to write off sanction by the Finance Department.**

The Committee examined the Accounts of the Board of Revenue Department in its meeting held on 10.9.2003, 11.9.2003, 12.9.2003, 3.8.2004, 4.8.2004, 1.3.2005 and 2.3.2005 and made the following recommendations:-

### **AUDIT PARAS (CIVIL) FOR THE YEAR 1998-99**

#### **1.            Para No.1.1 Pages 8 & 9 of Audit Report for the year 1998-99; Misappropriation of POL Amounting to Rs.1,167,635/-.**

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**Deputy Commissioner Multan Rs.167,635/-.**

**10.9.2003**     The Department stated that the relevant log books were now available for verification.

The Committee directed that an inquiry should be held for fixing the responsibility for not producing the relevant record at the time of Audit and the possibility of preparing forged record afterwards and action should be taken under the law/rules against the persons held responsible for the same. Inquiry/action should be completed within three months.

The para was kept pending.

**3.8.2004**     The Department explained that the concerned officer had been directed to complete the inquiry within two months failing which disciplinary action would be taken against him.

The para was kept pending.

**2.3.2005**     The Department explained that inquiry officer had concluded that Log Books of 15 vehicles were available complete in all respects but could not be produced by the drivers concerned in time being away on law and order duty. All the Log Books of these 15 vehicles were genuine and no misappropriation of POL amounting to Rs.151,683.72 had taken place. The inquiry officer further concluded that the responsibility of missing 7 Log Books can be placed upon the concerned officers /drivers and they may be afforded final opportunity to trace the same and produce before the next Audit otherwise, recovery of POL consumed against these vehicles worth Rs.15,951/- shall be made from them.

**The para was kept pending either to produce Log Books of seven vehicles to Audit for verification or effect recovery from the persons concerned.** The department was directed that in future the log books should be maintained according to requirements of rules.

#### **2.            Para No.1.2**

## **Deputy Commissioner Faisalabad Rs.1,000,000/-.**

**10.9.2003** The Department stated that the relevant log books were now available for verification.

The Committee directed that an inquiry should be held for fixing the responsibility for not producing the relevant record at the time of Audit and the possibility of preparing forged record afterwards and action should be taken under the law/rules against the persons held responsible for the same. Inquiry/action should be completed within three months.

The para was kept pending.

**3.8.2004** The Department explained that in compliance with directions of PAC meeting dated 10-12 September 2003, an inquiry had been held and Mr. Zulfiqar Ali, the then Accountant of SP Office, Faisalabad, was found responsible for non-production of vouched account in time. The vouched account had since been procured which was available for verification.

The Committee settled the para subject to verification of record by Audit.

**1.3.2005** The Department explained that the requisite record had been verified by Audit. On the recommendation of the Audit, **the para was settled.**

### **3. Para No.2 Pages 8 & 9 of Audit Report for the year 1998-99; Misappropriation of Rs.41,080/- on account of repair charges.**

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## **Deputy Commissioner Attock Rs.41,080/-.**

**10.9.2003** The Department explained that an inquiry had already been initiated into the irregularities in the repair of vehicles pointed out by Audit in this para.

The Committee directed that the inquiry/action be completed within two weeks.

The para was kept pending.

**3.8.2004** The Department explained that as reported by DO (R) Attock, the inquiry which was in progress could not be finalized due to non-appearance of the then Assistant Commissioner, Fateh Jang. The field formation had been directed to complete the inquiry within a period of one month positively.

The Committee kept the para pending on the assurance of the Department that the inquiry would be completed within one month.

**2.3.2005** The Department explained that on the recommendation of inquiry officer, the matter had been taken up with the S&GAD for recovery from the officer concerned.

The Department was directed to pursue the recovery vigorously and **para was kept pending.**

**4. Para No.3 Pages 8 & 10 of Audit Report for the year 1998-99; Misappropriation/non maintenance of Log Books resulting in double drawal & disposal of POL valuing Rs.143,975/-.**

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**Deputy Commissioner Chakwal Rs.143,975/-.**

**10.9.2003** The Department stated that the relevant log books were now available for verification.

The Committee directed that an inquiry should be held for fixing the responsibility for not producing the relevant record at the time of Audit and the possibility of preparing forged record afterwards and action should be taken under the law/rules against the persons held responsible for the same. Inquiry/action should be completed within three months.

The para was kept pending.

**3.8.2004** The Department explained that as per PAC directions, an inquiry was held and as per findings thereof, payment of POL consumed was made correctly. As per three log books of vehicle which were available for verification, about 80% of the total amount of the para was covered. The remaining vehicles were requisitioned in connection with the visit of Chief Minister and Moharram duties etc. However, log books of those vehicles could not be traced out. The Department requested for keeping the para pending.

The Committee kept the para pending with the direction that the log books of remaining vehicles may be traced out and entire record be got verified by Audit.

**2.3.2005** The Department explained that as per inquiry report, Log Books regarding two vehicles belong to Ex-DC office were available for verification. The remaining vehicles were used from other Departments which were utilized at the time of VIPs visit and Muharram duty.

The explanation of the Department was accepted and **para was settled subject to verification of relevant record by Audit.**

**5. Para No.4 Pages 11 & 12 of Audit Report for the year 1998-99;  
Recovery of Rs.12,998/- on account of irregular drawal of conveyance allowance.**

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**Commissioner Faisalabad Rs.12,998/-.**

**10.9.2003** The Department explained that the recovery had been effected from the concerned officer and deposited in the Treasury.

Audit verified the recovery during the meeting.

**The para was accordingly settled.**

**6. Para No.5 Pages 12 & 13 of Audit Report for the year 1998-99; Un-Authorized Possession of House Recovery of Rs.139,046/- on Account of Penal Rent from Ex-Assistant Commissioner (City).**

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**Commissioner Faisalabad Rs.139,046/-.**

**10.9.2003** The Department explained that the ex-AC (City) Faisalabad Mr. Khalid Mehmood was directed through the S&GAD Department to deposit the said amount.

The Committee expressed its concern over the delay in making the recovery and directed that the amount due should be recovered from the pay bills of the officer.

The para was kept pending.

**3.8.2004** The Department explained that out of Rs.139,046/- an amount of Rs.36,162/- had since been deducted from the monthly pay of the officer concerned in installments @ of Rs.6,027/- per month. Balance recovery was being made accordingly.

Finance Department pointed out that as the recovery was in progress, the para could be settled subject to compliance report to the FD and audit after complete recovery.

The Committee settled the para subject to balance recovery and compliance report to Finance Department and verification by audit.

**2.3.2005** The Department explained that out of Rs.139,046/-, a sum of Rs.84,378/- had since been deducted from the pay of the officer concerned.

The explanation of the Department was accepted and **para was settled subject to balance recovery and its verification by Audit.**

**7. Para No.6 Page 13 of Audit Report for the year 1998-99; Recovery on Account of Overpayment to Staff for Rs.51,848/-.**

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**Deputy Commissioner, Vehari - Rs.51,848/-.**

**10.9.2003** As per latest Audit comments, recovery of Rs.9,174/- had already been verified by Audit, further recovery of Rs.30,640/- stated to have been made by the Department was yet to be verified and the balance amount of Rs.12,034/- was being recovered.

Subject to balance recovery and its verification, the para was settled.

**3.8.2004** The Department explained that extra increments were erroneously allowed to some low-paid employees; however, an amount of Rs.30,964/96 had since been recovered and verified and recovery process for balance amount was continuing.

The Committee settled the para subject to balance recovery, its verification by Audit and compliance report to Finance Department.

**2.3.2005** The Department explained that recoverable amount of Rs.40,456/- had been effected and verified by Audit.

The explanation of the Department was accepted and para was **settled subject to verification of record by Audit.**

**8. Para No.7 Page 15 of Audit Report for the year 1998-99; Payment of posts in excess of sanctioned strength resulting in loss of Rs.1,972,535/- (Mandi Bahauddin).**

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**10.9.2003** The Department explained that on creation of the new District of Mandi Baha-ud-Din, some posts were transferred from District Gujrat to Mandi Baha-ud-Din and the same number of posts were also sanctioned by the Finance Department for Mandi Baha-ud-Din. As such the same posts were counted twice and the excess recruitment was made against the sanctioned posts. However, later on the excess officials were discharged from service but some of them were re-instated on orders of the court. The Department further explained that the matter



for regularization of the said expenditure was under process.

The Committee directed that an inquiry should be held into the matter for fixing responsibility against the officers concerned including the then Deputy Commissioner, Mandi Baha-ud-Din and action should be taken against the officers/officials found responsible for the same.

The regularization of the matter from the competent authority may also be got expedited. The para was kept pending.

**3.8.2004** The Department explained that as per findings of an inquiry held into the matter, approval of Board of Revenue was received for transfer of posts/staff along with budget from Gujrat to newly created district of Mandi Bahauddin in July 1995. Due to misunderstanding, recruitments were made against those sanctioned posts presuming them to be fresh ones. Salaries were received by the concerned incumbents duly passed by DAO. Hence, no officer/official was at fault for excess recruitment, no fraud was committed nor was there any malafide on the part of anyone. A reference for regularization had been sent to FD in early July 2004. Moreover, the then DC and DDO had since retired from service.

The Committee kept the para pending for regularization by the Finance Department.

**1.3.2005** The Department explained that case had been sent to the Finance Department for regularization and the action was still awaited.

The Department was directed to pursue the case vigorously for early finalization and para was kept pending.

**9. Para No.8 Page 15 of Audit Report for the year 1998-99; Irregular expenditure on account of appointments during ban resulting in loss of Rs.252,096/- (D. C. Chakwal).**

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**10.9.2003** The Department explained that the recruitment of two Junior Clerks and one driver, under observation in this para had been made at the time when there was no ban on recruitment.

The Committee directed that a proper inquiry should be held into the matter whether the recruitment in question were made during the period of ban and whether the prescribed procedure was followed in making these recruitments.

The para was kept pending.

**3.8.2004** The Department explained that as per findings of an inquiry held into the matter, there was no ban when the recruitments were made; however, the procedure adopted for appointment was irregular. Therefore, the case had been referred to Finance Department for regularization of the amount involved.

Finance Department pointed out that the instant case was to be regularized by S&GAD and not Finance Department.

The Committee directed the department to refer the case to S&GAD for regularization.

The para was kept pending.

**1.3.2005** The Department explained that matter had been sent to the Chief Minister Punjab through a summary and action was still awaited.

The Department was directed to pursue the case for early finalization and **para was kept pending.**

**10. Para No.9 Page 16 of Audit Report for the year 1998-99;  
Expenditure beyond competency amounting to Rs.154,458/- (D. C. Rajanpur).**

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**10.9.2003** The Department explained that payment of four bills amounting to Rs.1,54,458/- for repair/replacement of parts of vehicles was made with the sanction of the Commissioner who was competent to do so.

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

**11. Para No.10.1 Pages 14 & 16 of Audit Report for the year 1998-99;  
Irregular expenditure on account of diet charges of Rs.2,306,432/-.**

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**Deputy Commissioner, Jhang-Rs.1,269,263/-.**

**10.9.2003** The Department explained that a detailed inquiry would be held into the irregularities pointed out by Audit in this para and disciplinary action/recovery would be made accordingly.

The Committee directed that inquiry/action/recovery as per findings of the inquiry report should be completed within three months.

The para was kept pending.

**3.8.2004** The Department explained that Mr. Safdar Iqbal, ex-District Nazir, office of DC Jhang was dismissed from service and criminal cases on account of embezzlement of Government amount and mis-placement of official record had been registered against him. DPO, Jhang had been requested to recover the government money and official record.

The Committee desired that DPO, Jhang be directed to finalize investigation of criminal cases registered against the ex-District Nazir and take further action as per law within one month under intimation to PAC.

Para No.10.1 being of similar nature as the same official was involved was kept pending.

**1.3.2005** The Department explained that efforts were being made for recovery of Government loss/ record.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

## **12. Para No.10.2**

**Deputy Commissioner, Toba Tek Singh-Rs.1,037,169/-.**

**10.9.2003** The Department explained that a detailed inquiry would be held into the irregularities pointed out by Audit in this para and disciplinary action/recovery would be made accordingly.

The Committee directed that inquiry/action/recovery as per findings of the inquiry report should be completed within three months.

The para was kept pending.

**3.8.2004** The Department explained that as per findings of an inquiry held into the matter, the expenditure was made by splitting up the bills, however, there was no mis-appropriation. Deputy Commissioner being category-II officer was competent to sanction the amount. The inquiry report had been vetted by the competent authority. Now, the case was under process for referring it to the Finance Department for regularization purpose.

The Committee kept the para pending till regularization by the Finance Department.

**1.3.2005** The Department explained that cases had been sent to the Finance Department for

regularization and action was still awaited.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

**13.            Para No.11 Page 17 of Audit Report for the year 1998-99; Irregular expenditure amounting to Rs.315,096/- incurred on local purchase of stationery (D. C. Kasur).**

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**10.9.2003**     Audit observed that an irregular expenditure to the extent of stated amount was incurred on local purchase of stationery by splitting up the indents with a view to avoid the sanction of higher authority.

The Department explained that the matter had been taken up for regularization of the purchases by the competent authority.

The Committee directed that an inquiry should be held into the irregularities pointed out by Audit in this para for fixing responsibility and taking action against the officers/officials responsible for the same, besides getting the expenditure regularized by the competent authority.

The para was kept pending.

**3.8.2004**     The Department explained that as per the findings of an inquiry held into the matter, the procurement of stationery was made under the supervision of Purchase Committee with the approval of competent authority without splitting up the indent. The case had been referred to the Finance Department for regularization.

During the course of the meeting, the Committee expressed concern over non-production of record to audit and directed that instructions be issued to all Administrative Departments to ensure timely production of record to audit, which should also give two weeks' notice before the scheduled visit of audit team.

The Committee kept the para pending till regularization by the Finance Department.

**1.3.2005**     The Department explained that cases had been sent to the Finance Department for regularization and action was still awaited.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

**14. Para No.12 Page 17 of Audit Report for the year 1998-99; Irregular expenditure of Rs.106,545/- on repair of vehicles (D. C. Gujranwala).**

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**10.9.2003** During discussion it was transpired that the expenditure on repair of vehicles had been made on different occasions and not at one time.

The Committee directed that the relevant record should be produced to Audit for verification and in case regularization was required, the same should be obtained within three months.

The para was kept pending.

**3.8.2004** The Department explained that the vehicles were got repaired in emergency and the requirement of vetting the bills could not be completed which was regretted. The case for regularization of the amount from the Finance Department was under process.

The Committee kept the para pending till regularization by the Finance Department.

**1.3.2005** The Department explained that cases had been sent to the Finance Department for regularization and action was still awaited.

The Department was directed to pursue the cases vigorously for early finalization and **para was kept pending.**

**15. Para No.13 Page 18 of Audit Report for the year 1998-99; Un-necessary advance drawal of government money amounting to Rs.800,000/- (D. C. Lahore).**

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**10.9.2003** The Department explained that the said amount was placed in PLA by the Deputy Commissioner concerned in view of the expenditures to be incurred for Law & Order and emergency situation during local body election, 1998. However, the same was not expended and was deposited back in the Treasury. The Department further stated that this para was settled in the DAC meeting held on 9.2.2000.

The Committee directed that the relevant record should be shown to Audit for verification.

The para was kept pending.

**3.8.2004** The Department stated that the relevant record was available for verification.

The Committee settled the para subject to verification of relevant record by the Audit.

**2.3.2005** The Audit observed that the Administrative Department had now produced the disbursement of the amount to transporters. The said position had made the deposit back of the amount into PLA/Disbursement to transporters doubtful.

The Department was directed to justify the contention and **para was kept pending.**

**16. Para No.14.1 Pages 19 & 22 of Audit Report for the year 1998-99; Non-recovery of Rs.28,376,573/- on account of lease money of kutchery compound.**

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**Deputy Commissioner Muzaffargarh-Rs.162,875/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by the Audit, the whole amount of Rs.1,62,875/- under observation in this para was recoverable from the contractors and no amount was recoverable from the lawyers.

The Committee directed that all efforts should be made to recover the Government dues.

The para was kept pending,

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may

be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**3.8.2004** The Department explained that an amount of Rs.1,24,425/- had been recovered which could be verified and efforts for balance recovery of Rs.38,450/- were continuing.

The Committee conditionally settled the para subject to recovery of balance amount and verification of the recovered amount by Audit.

**2.3.2005** The Department explained that recovery of Rs.124,425/- had since been effected. Efforts were being made to recover balance amount.

The Department was directed to effect balance recovery at the earliest and **para was settled subject to verification of balance recovery/record.**

**17.           Para No.14.2:**

**Deputy Commissioner Rajanpur-Rs.18,467,619/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by the Audit, the whole amount of Rs.18,467,619/- under observation in this para was recoverable from the contractors and no amount was recoverable from the lawyers.

The Committee directed that all efforts should be made to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended



the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**3.8.2004** The Department explained that out of the total recoverable amount, an amount of Rs.17,562,676/- pertained to lease money/rent of state agricultural land of Dhundi Estate which was the subject of Colonies Department, Rs.902,446/- pertained to ferry services and only Rs.2,500/- related to rent of Katchery Compounds. So, the major portion of recoverable amount fell within the purview of Colonies Department, which was being requested to take a decision in this regard as per law. The Department requested the Committee for keeping the para pending till decision by the Colonies Department.

Audit, however, did not agree with departmental explanation and stated that the para related to non-recovery of government dues which was required to be recovered by DC Rajanpur.

The Committee directed the department to resolve the matter in coordination with Colonies Department and ensure recovery of government dues.

The para was kept pending.

**2.3.2005** The Department explained that recovery of Rs.50,000/- had since been effected. Efforts were being made to recover balance amount.

The Department was directed to effect balance recovery at the earliest and **para was settled subject to verification of balance recovery/record.**

## **18. Para No.14.3:**

**Deputy Commissioner Gujrat-Rs.52,650/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit, the whole amount of Rs.52,650/- was recoverable from the lawyers.

The Committee directed that all efforts should be made to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**3.8.2004** The Department stated that despite addressing a letter to Vice Chairman, Punjab Bar Council in compliance with directions of PAC-II, there was no progress in respect of recovery of rent/lease money of Katchery Compounds from the Advocates. The Department requested that paras of this nature be kept pending till appropriate decision at some appropriate/higher level.

Finance Department was also of the view that these paras be kept pending till some decision at appropriate level about recoveries outstanding against the advocates.

The Committee observed that in this para two kinds of recoveries were involved i.e. those outstanding against the lawyers and those against the contractors. The Committee directed that after necessary bifurcation, recoveries from contractors be effected immediately whereas those outstanding against the lawyers be kept pending till some decision at appropriate level.

With the above directions, para was kept pending.

**1.3.2005** The Department explained that all out efforts were being made to recover outstanding Government dues against the defaulting advocates/lawyers on account of lease money/rent of lawyer's chambers located in the kutchery compound in the Punjab.

The Department was directed to move a summary to the Chief Minister Punjab for resolving the issue and **para was kept pending.**

**19. Para No.14.4:****Deputy Commissioner Sheikhpura-Rs.104,000/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit, an amount of Rs.80,000/- was recoverable from lawyers and Rs.24,000/- from the Contractors.

The Committee directed that all efforts should be made to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**3.8.2004** The Department stated that despite addressing a letter to Vice Chairman, Punjab Bar Council in compliance with directions of PAC-II, there was no progress in respect of recovery of rent/lease money of Katchery Compounds from the Advocates. The Department requested that para of this nature be kept pending till appropriate decision at some appropriate/higher level.

Finance Department was also of the view that this para be kept pending till some decision at appropriate level about recoveries outstanding against the advocates.

The Committee observed that in this para two kinds of recoveries were involved i.e. those outstanding against the lawyers and those against the contractors. The Committee directed

that after necessary bifurcation, recoveries from contractors be effected immediately whereas those outstanding against the lawyers be kept pending till some decision at appropriate level.

With the above directions, para was kept pending.

**1.3.2005** The Department explained that all out efforts were being made to recover outstanding Government dues against the defaulting advocates/lawyers on account of lease money/rent of lawyer's chambers located in the kutchery compound in the Punjab.

The Department was directed to move a summary to the Chief Minister Punjab for resolving the issue and **para was kept pending.**

## **20. Para No.14.5:**

**Deputy Commissioner Sheikhpura-Rs.94,665/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit, the whole amount of Rs.94,665/- was recoverable from the contractors and no amount was recoverable from the lawyers.

The Department explained that the matter was subjudice in the Civil Court Sheikhpura.

The Committee directed that the details of the case and its latest position should be provided in the working paper for the next meeting.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may

be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**3.8.2004** The Department stated that despite addressing a letter to Vice Chairman, Punjab Bar Council in compliance with directions of PAC-II, there was no progress in respect of recovery of rent/lease money of Katchery Compounds from the Advocates. The Department requested that para of this nature be kept pending till appropriate decision at some appropriate/higher level.

Finance Department was also of the view that this para be kept pending till some decision at appropriate level about recoveries outstanding against the advocates.

The Committee observed that in this para two kinds of recoveries were involved i.e. those outstanding against the lawyers and those against the contractors. The Committee directed that after necessary bifurcation, recoveries from contractors be effected immediately whereas those outstanding against the lawyers be kept pending till some decision at appropriate level.

With the above directions, para was kept pending.

**1.3.2005** The Department explained that all out efforts were being made to recover outstanding Government dues against the defaulting advocates/lawyers on account of lease money/rent of lawyer's chambers located in the kutchery compound in the Punjab.

The Department was directed to move a summary to the Chief Minister Punjab for resolving the issue and **para were kept pending.**

## **21. Para No.14.6:**

**Deputy Commissioner Gujranwala-Rs.192,000/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by the Audit, the whole amount of Rs.192,000/- was recoverable from the contractors and no amount was recoverable from the lawyers.

The Committee directed that all efforts should be made to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**3.8.2004** The Department stated that despite addressing a letter to Vice Chairman, Punjab Bar Council in compliance with directions of PAC-II, there was no progress in respect of recovery of rent/lease money of Katchery Compounds from the Advocates. The Department requested that para of this nature be kept pending till appropriate decision at some appropriate/higher level.

Finance Department was also of the view that this para be kept pending till some decision at appropriate level about recoveries outstanding against the advocates.

The Committee observed that in this para two kinds of recoveries were involved i.e. those outstanding against the lawyers and those against the contractors. The Committee directed that after necessary bifurcation, recoveries from contractors be effected immediately whereas those outstanding against the lawyers be kept pending till some decision at appropriate level.

With the above directions, para was kept pending.

**1.3.2005** The Department explained that all out efforts were being made to recover outstanding Government dues against the defaulting advocates/lawyers on account of lease money/rent of lawyer's chambers located in the kutchery compound in the Punjab.

The Department was directed to move a summary to the Chief Minister Punjab for resolving the issue and **para was kept pending.**



**22. Para No.14.7:****Deputy Commissioner Gujramwala-Rs.486,028/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit, the whole amount of Rs.486,028/- was recoverable from the contractors and no amount was recoverable from the lawyers.

The Committee directed that all efforts should be made to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**3.8.2004** The Department stated that despite addressing a letter to Vice Chairman, Punjab Bar Council in compliance with directions of PAC-II, there was no progress in respect of recovery of rent/lease money of Katchery Compounds from the Advocates. The Department requested that para of this nature be kept pending till appropriate decision at some appropriate/higher level.

Finance Department was also of the view that this para be kept pending till some decision at appropriate level about recoveries outstanding against the advocates.

The Committee observed that in this para two kinds of recoveries were involved i.e.

those outstanding against the lawyers and those against the contractors. The Committee directed that after necessary bifurcation, recoveries from contractors be effected immediately whereas those outstanding against the lawyers be kept pending till some decision at appropriate level.

With the above directions, para was kept pending.

**2.3.2005** The Department explained that matter pertaining to recovery of Rs.2,30,000/- from Kh. Anwaar Ahmad Contractor, Cycle Stand was still under enquiry. However, an amount of Rs.25,000/- had been recovered from the contractor and deposited into Govt. Treasury. The Department further explained that the matter of recovery of Rs.40,000/- from Mr. Farooq Butt was pending decision in the Civil Court.

The Department was directed to pursue the recovery cases for early finalization and **para was kept pending.**

### **23. Para No.14.8:**

#### **Deputy Commissioner Gujramwala-Rs.750,000/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit, the whole amount of Rs.750,000/- was recoverable from the lawyers.

The Committee directed that all efforts should be made to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended

the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**3.8.2004** The Department stated that despite addressing a letter to Vice Chairman, Punjab Bar Council in compliance with directions of PAC-II, there was no progress in respect of recovery of rent/lease money of Katchery Compounds from the Advocates. The Department requested that para of this nature be kept pending till appropriate decision at some appropriate/higher level.

Finance Department was also of the view that this para be kept pending till some decision at appropriate level about recoveries outstanding against the advocates.

The Committee observed that in this para two kinds of recoveries were involved i.e. those outstanding against the lawyers and those against the contractors. The Committee directed that after necessary bifurcation, recoveries from contractors be effected immediately whereas those outstanding against the lawyers be kept pending till some decision at appropriate level.

With the above directions, para was kept pending.

**1.3.2005** The Department explained that all out efforts were being made to recover outstanding Government dues against the defaulting advocates/lawyers on account of lease money/rent of lawyer's chambers located in the kutchery compound in the Punjab.

The Department was directed to move a summary to the Chief Minister Punjab for resolving the issue and **para was kept pending.**

## **24. Para No.14.9:**

**Deputy Commissioner Sargodha-Rs.30,000/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the

lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** The Department explained that an amount of Rs.30,000/- i.e. the total amount of this para had been recovered and deposited into the Government Treasury vide Bank Challan No. 77 dated 7.1.2003.

The Committee directed that the recovery be got verified by Audit.

The para was kept pending for verification by Audit.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**3.8.2004** Audit verified the recovery of Rs.30,000/-.

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

**25. Para No.14.10:**

**Deputy Commissioner Rahim Yar Khan-Rs.6,108,000/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit an amount of Rs.522,000/- was recoverable from the lawyers and Rs.888,000/- was recoverable from the contractors.

The Committee directed that all efforts should be made to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**4.8.2004** The Department informed the Committee that as per directions given by the committee in its meeting on 3.8.2004, the amount outstanding against contractors and advocates had been bifurcated and efforts for effecting recoveries from the contractors at the earliest would be made.

The Committee decided that its directions given about paras of similar nature in the meeting held on 3.8.2004 would apply.

The aforesaid para was kept pending.

**2.3.2005** The Department explained that recovery of Rs.56,200/- had since been effected and verified by Audit. Efforts were being made to recover balance amount.

The Department was directed to effect balance recovery at the earliest and **para was settled subject to balance recovery and its verification by Audit.**

**26. Para No.14.11:**

**Deputy Commissioner Bahawalpur-Rs.38,046/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by the Audit, the whole amount of Rs.38,046/- was recoverable from the lawyers.

The Department explained that the notices had been issued on 1.9.2003 to the persons concerned to deposit the amount.

The Department was directed to make all efforts to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**4.8.2004** The Department informed the Committee that as per directions given by the committee in its meeting on 3.8.2004, the amount outstanding against contractors and advocates had been bifurcated and efforts for effecting recoveries from the contractors at the earliest would be made.

The Committee decided that its directions given about paras of similar nature in the meeting held on 3.8.2004 would apply.

The aforesaid para was kept pending.

**1.3.2005** The Department explained that all out efforts were being made to recover outstanding Government dues against the defaulting advocates/lawyers on account of lease money/rent of lawyer's chambers located in the kutchery compound in the Punjab.

The Department was directed to move a summary to the Chief Minister Punjab for resolving the issue and **para was kept pending.**

**27.           Para No.14.12:**



**Deputy Commissioner Jhelum-Rs.55,800/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit, the whole amount of Rs.55,800/- was recoverable from the lawyers.

The Department was directed to make all efforts to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**4.8.2004** The Department informed the Committee that as per directions given by the committee in its meeting on 3.8.2004, the amount outstanding against contractors and advocates had been bifurcated and efforts for effecting recoveries from the contractors at the earliest would be made.

The Committee decided that its directions given about paras of similar nature in the meeting held on 3.8.2004 would apply.

The aforesaid para was kept pending.

**1.3.2005** The Department explained that all out efforts were being made to recover outstanding Government dues against the defaulting advocates/lawyers on account of lease money/rent of lawyer's chambers located in the kutchery compound in the Punjab.

The Department was directed to move a summary to the Chief Minister Punjab for resolving the issue and **para was kept pending.**

**28. Para No.14.13:**

**Deputy Commissioner Lodhran-Rs.392,950/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by the Audit, the whole amount of Rs.392,950/- was recoverable from the contractors and no amount was recoverable from the lawyers.

The Committee directed that all efforts should be made to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**4.8.2004** The Department informed the Committee that as per directions given by the committee in its meeting on 3.8.2004, the amount outstanding against contractors and advocates had been bifurcated and efforts for effecting recoveries from the contractors at the earliest would be made.

The Committee decided that its directions given about paras of similar nature in the meeting held on 3.8.2004 would apply.

The aforesaid para was kept pending.

**2.3.2005** The Department explained that recovery of Rs.254,150/- had since been effected. Efforts were being made to recover balance amount.

The Department was directed to effect balance recovery at the earliest and **para was settled subject to balance recovery and its verification by Audit.**

**29. Para No.14.14:**

**Deputy Commissioner Khushab-Rs.98,500/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit, the whole amount of Rs.98,500/- was recoverable from the contractors and no amount was recoverable from the lawyers.

The Department explained that the matter was subjudice in the Supreme Court of Pakistan.

The Committee directed that the details of the case and its latest position should be given in the working paper for the next meeting.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**4.8.2004** The Department informed the Committee that as per directions given by the committee in its meeting on 3.8.2004, the amount outstanding against contractors and advocates had been bifurcated and efforts for effecting recoveries from the contractors at the earliest would be made.

The Committee decided that its directions given about paras of similar nature in the meeting held on 3.8.2004 would apply.

The aforesaid para was kept pending.

**1.3.2005** The Department explained that all out efforts were being made to recover outstanding Government dues against the defaulting advocates/lawyers on account of lease money/rent of lawyer's chambers located in the kutchery compound in the Punjab.

The Department was directed to move a summary to the Chief Minister Punjab for resolving the issue and **para was kept pending.**

**30. Para No.14.15:**

**Deputy Commissioner Khushab-Rs.552,000/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit, an amount of Rs.216,000/- was recoverable from the lawyers and Rs.336,000/- from the contractors.

The Department explained that no chamber for lawyers or Photostat shop in the Kutchery Compound was leased out during the year 1997-98. Therefore, the amount of recovery shown by Audit was based on presumption. On the other hand, the Audit had contended that the matter for non-leasing of Kutchery Compound since 1990 in violation of Board of Revenue's

Circular No. 2844-82/2658-E(M-II) dated 23.11.1982 should be investigated and responsibility for the loss caused to the Government should be fixed and the loss should be recovered.

The Committee directed the Department to investigate the matter and finalize action/recovery, if established

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**4.8.2004** The Department explained that this para related to the HUD & PHE Department as the land in question which was leased out to lawyers belonged to the said Department.

After detailed discussion, the Committee accepted the point of view of Board of Revenue and directed that this para be transferred to HUD & PHE Department for explaining the position about this para in next meeting pertaining to that Department.

The para was kept pending.

**1.3.2005** The Department explained that this para had already been transferred to HUD & PHE Department.

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

**31. Para No.14.16:**

**Deputy Commissioner Mandi Bahauddin-Rs.279,300/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the

lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by the Audit, the whole amount of Rs.279,300/- was recoverable from the contractors and no amount was recoverable from lawyers.

The Committee directed the Department to make all efforts to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**4.8.2004** The Department informed the Committee that as per directions given by the committee in its meeting on 3.8.2004, the amount outstanding against contractors and advocates had been bifurcated and efforts for effecting recoveries from the contractors at the earliest would be made.

The Committee decided that its directions given about paras of similar nature in the meeting held on 3.8.2004 would apply.

The aforesaid para was kept pending.

**1.3.2005** The Department explained that all out efforts were being made to recover outstanding Government dues against the defaulting advocates/lawyers on account of lease money/rent of lawyer's chambers located in the kutchery compound in the Punjab.

The Department was directed to move a summary to the Chief Minister Punjab for resolving the issue and **para was kept pending.**

**32. Para No.14.17:**

**Deputy Commissioner Lahore-Rs.232,000/-.**



**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit, the whole amount of Rs.232,000/- was recoverable from the contractors and no amount was recoverable from the lawyers.

The Department explained that there was no Government Canteen in Lahore Cantonment or Model Town Sub-Division Kutchery since 1997-98. On the other hand, the Audit stated that the departmental contention was not correct.

The Committee deputed Mrs. Saba Sadiq MPA, Member PAC to visit the said places and report the factual position to the Committee on 12 September 2003. According to the verbal report submitted by the said Member to the Committee on 12.9.2003, a canteen was being run by Employees Association in Lahore Cantt. Kutchery and a canteen was also being run in Model Town Kutchery by the Bar Association.

The Committee discussed and **settled the para.**

**33. Para No.14.18:**

**Deputy Commissioner Lahore-Rs.108,000/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by Audit, the whole amount of Rs.108,000/-

was recoverable from the lawyers.

The Committee directed that all efforts should be made to recover the Government dues.

The para was kept pending.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**4.8.2004** The Department informed the Committee that as per directions given by the committee in its meeting on 3.8.2004, the amount outstanding against contractors and advocates had been bifurcated and efforts for effecting recoveries from the contractors at the earliest would be made.

The Committee decided that its directions given about paras of similar nature in the meeting held on 3.8.2004 would apply.

The aforesaid para was kept pending.

**1.3.2005** The Department explained that all out efforts were being made to recover outstanding Government dues against the defaulting advocates/lawyers on account of lease money/rent of lawyer's chambers located in the kutchery compound in the Punjab.

The Department was directed to move a summary to the Chief Minister Punjab for resolving the issue and **para was kept pending.**

#### **34. Para No.14.19:**

**Deputy Commissioner Lahore-Rs.25,980/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that

Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by the Audit, the whole amount of Rs.25,980/- was recoverable from the contractors.

The Department explained that an amount of Rs.12,340/- had been recovered and the balance amount of Rs.13,640/- had been got written off by the Competent Authority.

The Department was directed to get the recovery and write off sanction verified by Audit.

The para was settled subject to verification by Audit.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**4.8.2004** The Department explained that an amount of Rs.12,340/- had been recovered and deposited into the government treasury and the balance amount had been written off by Competent Authority.

Audit verified the contention of the Department and recommended the para for settlement.

**The Committee settled the para.**

**35. Para No.14.20:**

**Deputy Commissioner Lahore-Rs.146,160/-.**

**10.9.2003** Para related to non-recovery of rent from contractors and lawyers.

The Committee directed that Audit should provide a statement showing the amounts recoverable from the contractors and lawyers separately. The Committee further directed that Vice Chairman of the Punjab Bar Council should be invited to attend the meeting of the Committee on 12-9-2003 to advise the Committee in the matter of recovery of the rent of the lawyers chambers in the Kutchery compounds in various districts.

The consideration of the para would be resumed in the next meeting.

**11.9.2003** As per written statement provided by the Audit, the whole amount of Rs.146,160/- was recoverable from the contractors and no amount was recoverable from the lawyers.

The Department explained that during the year 1997-98 the Cycle Stand in the Kutchery Compound was leased out to Mr. Muhammad Hussain, Contractor and the total lease of Rs. 342,000/- had been recovered.

The Department was directed to get the recovery verified by Audit.

The para was settled subject to verification by Audit.

**12.9.2003** Ch. Muhammad Arif, Vice Chairman, Punjab Bar Council accordingly attended the meeting of PAC-I held on 12.9.2003. He stated that he had been called to the meeting at the very short notice and he was not acquainted with the back ground of the matter, therefore, he may be granted two months time to present the view point of the Bar Council in the matter.

The Committee agreed to the proposal made by the Vice-Chairman, Punjab Bar Council.

**4.8.2004** The Department explained that lease amount of Rs.342,000/- of cycle stand for 1997-98 had already been recovered and deposited into Government treasury. Relevant record had been produced to audit for verification.

Audit stated that interest amounting to Rs.68,160/- was still recoverable and that record about recovery of Rs.78,000/- had also not been produced.

The Committee settled the para subject to verification of recovery by audit.

**2.3.2005** The Department explained that complete recovery had since been effected.

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

**36. Para No.15.1 Pages 20 & 22 of Audit Report for the year 1998-99;**

## **Recovery of Rs.3,376,158/- due to excess calls on residential telephones.**

D.C. Hafizabad – Rs.122,468/-

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that the cases involving the aforesaid para had been referred to the Finance Department for regularization of the amounts involved.

The aforesaid para was kept pending for regularization by Finance Department.

**1.3.2005** The Department explained that case had been sent to the Finance Department for regularization and the same was under process.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

**37.           Para No.15.2**

D.C. Gujrat-Rs.61,239/-.

**11.9.2003**       The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003**       The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004**       The Department explained that the cases involving the aforesaid para had been referred to the Finance Department for regularization of the amounts involved.



The aforesaid para was kept pending for regularization by Finance Department.

**1.3.2005** The Department explained that case had been sent to the Finance Department for regularization and the same was under process.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

### **38. Para No.15.3**

D.C. Attock-Rs.90,358/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that an amount of Rs.25,082/52 had been recovered whereas an amount of Rs.11,498/- recoverable from Ch. Muhammad Afzal (deceased) had since been written off by the competent authority. Efforts for recovery from other officers were continuing.

Audit verified departmental contention about recovery of Rs.25,082/52 and write off of Rs.11,498/- and emphasized recovery of balance amount of Rs.53,778/- at the earliest.

The para was kept for balance recovery.

**2.3.2005** The Department explained that recovery of Rs.2,387/- had been effected. Efforts were being made to recover balance amount.

The Department was directed to effect balance recovery at the earliest and **para was settled subject to balance recovery and its verification by Audit.**

### **39. Para No.15.4**

D.C. Bahawalnagar-Rs.11,062/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with

observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that an amount of Rs.11,062/- had since been recovered from the concerned officers and adjusted against bills paid to Telephone Department which could be verified.

The para was settled subject to verification of record by audit.

**2.3.2005** The Department explained that the requisite record had been verified by Audit.

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

#### **40. Para No.15.5**

Commissioner Lahore-Rs.42,585/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary

while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that the cases involving the aforesaid para had been referred to the Finance Department for regularization of the amounts involved.

The aforesaid para was kept pending for regularization by Finance Department.

**1.3.2005** The Department explained that cases had been sent to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the case vigorously for early finalization and para was kept pending.

#### **41. Para No.15.6**

D.C. Gujranwala-Rs.175,150/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent

past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that the cases involving the aforesaid para had been referred to the Finance Department for regularization of the amounts involved.

The aforesaid para was kept pending for regularization by Finance Department.

**1.3.2005** The Department explained that cases had been sent to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the case vigorously for early finalization and para was kept pending.

#### **42. Para No.15.7**

D.C. Sargodha-Rs.370,962/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls

from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that the cases involving the aforesaid para had been referred to the Finance Department for regularization of the amounts involved.

The aforesaid para was kept pending for regularization by Finance Department.

**1.3.2005** The Department explained that cases had been sent to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the case vigorously for early finalization and para was kept pending.

#### **43. Para No.15.8**

D.C. D.G. Khan-Rs.147,992/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the



Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that the case involving the aforesaid para had been referred to the Finance Department for regularization of the amount involved.

The aforesaid para was kept pending for regularization by Finance Department.

**1.3.2005** The Department explained that cases had been sent to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the case vigorously for early finalization and **para was kept pending.**

#### **44. Para No.15.9**

D.C. Bahawalpur-Rs.120,910/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that an amount of Rs.116,040/- was incurred on telephone calls made in connection with maintenance of law and order in public interest. Therefore, the matter was being referred to the Finance Department for regularization. However, the amount due from Assistant Commissioner against telephone No.80433 was being recovered from the concerned officer.

The Committee kept the para pending for regularization and balance recovery.

**1.3.2005** The Department explained that the matter had already been sent to the Finance Department for regularization of amount of Rs.91,212/-and the concerned officers had been requested to deposit balance amount of Rs.29,698/-

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

#### **45. Para No.15.10**

D.C. Kasur-Rs.59,306/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance

Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that an amount of Rs.37,300/- was incurred on telephone calls made from residence of ADC(G) Kasur in connection with maintenance of law & order in public interest. Therefore, a case for regularization to this extent was being referred to the Finance Department. However, an amount of Rs.21,803/- was due against AC Kasur and the officers were being asked to deposit the same within 2 months.

The para was kept pending for regularization and balance recovery.

**1.3.2005** The Department explained that the matter had already been sent to the Finance Department for regularization of amount of Rs.37,000/- and the concerned officers had been requested to deposit balance amount of Rs.21,803/-.

The Department was directed to pursue the cases vigorously for early finalization and **para was kept pending.**

**46.           Para No.15.11**

D.C. Muzaffargarh-Rs.428,408/-.

**11.9.2003**       The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003**       The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004**       The Department explained that the matter was under process for recovery/ regularization with DO (Rev) Muzzafargarh. Notices had been issued to concerned officers for making the payment of excess amount within a fortnight.

The para was kept pending for recovery.

**1.3.2005**       The Department explained that cases had been referred to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

**47. Para No.15.12**

D.C. Layyah-Rs.22,151/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that the cases involving the aforesaid para had been referred to the Finance Department for regularization of the amounts involved.

The aforesaid para was kept pending for regularization by Finance Department.

**1.3.2005** The Department explained that cases had been referred to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

**48. Para No.15.13**

Commissioner Faisalabad-Rs.9,509/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that total amount of Rs.9,509/- had since been deposited



and verified by audit in DAC meeting dated 4-15 February 2001.

On the verification and recommendation of audit, **the para was settled.**

**49.           Para No.15.14**

D.C. T.T. Singh-Rs.65,994/-.

**11.9.2003**       The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003**       The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004**       The Department explained that an amount of Rs.8,656/- already stood deposited into Government treasury; whereas, efforts for the recovery of the remaining amount of Rs.57,338/- from the concerned officers were being made. Audit verified the deposit of Rs.8,656/-.

The para was kept pending for balance recovery.

**1.3.2005** The Department explained that cases had been referred to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

**50. Para No.15.15**

D.C. Lodhran-Rs.201,080/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that after sorting out the matter, the actual recoverable amount came to Rs.95,038/- instead of Rs.201,080/- because the balance amount of Rs.107,995/- pertained to previous arrears which were not recoverable for the detailed reasons given by the Department in the working paper. The matter for regularization of Rs.95,038/- had been referred to the Finance Department.

Audit, however, desired to see the relevant record regarding departmental contention.

The para was kept pending for regularization by Finance Department and verification of relevant record in respect of departmental contention by the audit.

**1.3.2005** The Department explained that cases had been referred to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

**51. Para No.15.16**

D.C. Sialkot-Rs.579,588/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent

past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that the cases involving the aforesaid para had been referred to the Finance Department for regularization of the amounts involved.

The aforesaid para was kept pending for regularization by Finance Department.

**1.3.2005** The Department explained that cases had been referred to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the cases vigorously for early finalization and **para was kept pending.**

**52.           Para No.15.17**

D.C. Faisalabad-Rs.167,339/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls

from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department stated that the matter was under process with DO (Rev) Faisalabad for sorting out whether the calls were made in official capacity in public interest or otherwise. Further progress would be reported to PAC in due course.

The para was kept pending for recovery.

**1.3.2005** The Department explained that cases had been referred to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

### **53. Para No.15.18**

D.C. D.G. Khan-Rs.700,057/-.

**11.9.2003** The Department explained that all cases of excess calls from the residential telephones over the prescribed limits would be considered on merit of each case. The cases in which the Department was satisfied that excess calls were justified would be referred to Finance Department for regularization and in other cases the Department would take state away action for recovery.

In the above context, the Committee directed that action for regularization / recovery should be completed expeditiously.

The para was kept pending.

**12.9.2003** The Para relating to excess telephone calls over the permissible limits from the residential telephones was considered by the Committee on 11.9.2003. The direction of the

Committee in each case has been recorded in the minutes of the meeting held on 11.9.2003. However, the representative of the Finance Department was asked to apprise the Committee about the action taken by the Finance Department in the case of regularization of excess calls from the residential telephones referred to it by the Administrative Departments. Mr. Rab Nawaz, representative of the Finance Department informed the Committee on 12.9.2003 that in the recent past 29 cases for regularization of excess calls from residential telephones had been referred to the Finance Department. Only 4 cases were regularized with the approval of the Chief Secretary while the remaining 25 cases were sent back to the Administrative Departments with observations of the Finance Department. These 25 cases had not yet been re-submitted to the Finance Department.

The Committee directed that the case of regularization relating to the audit para pending before the PAC referred to the Finance Department by the Administrative Departments should be disposed of expeditiously by the Finance Department.

**4.8.2004** The Department explained that the case of excess calls pertained to 18 officers/ cases and after sorting out the matter, it was found that the excess expenditure incurred on telephone calls from DC's residence was justified in the interest of maintenance of peace and order. Therefore, all cases falling under this category from Sr. No. 1 to 7 were being referred to the Finance Department for regularization. However, the remaining officers falling under the category from Sr. No. 8 to 18 had been directed to deposit the recoverable amount at an early date.

The Committee kept the para pending for regularization and balance recovery.

**1.3.2005** The Department explained that cases had been referred to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the cases vigorously for early finalization and para was kept pending.

**54. Para No.16.1: Pages 21 & 23 of Audit Report for the year 1998-99; Irregular expenditure of Rs.333,645/- on account of electricity and Sui Gas charges.**

**Deputy Commissioner Sheikhpura-Rs.212,370/-.**

**11.9.2003** The Department explained that the expenditure on payment of electricity and gas bills related to the Camp Office located in the Deputy Commissioner House.

However, the representative of the Finance Department apprised the Committee that the residences of Deputy Commissioners were not declared as camp offices up to 2001.



The Committee directed that the matter should be looked into by the Administrative Department and irregular expenditure must be recovered from the officers concerned.

The para was kept pending.

**4.8.2004** The Department stated that the officers from whom the recovery was due had either expired or retired from service. Therefore, the matter was being taken up with the Finance Department for regularization/write off.

The Committee kept the para pending for regularization/write off.

**1.3.2005** The Department explained that cases had been referred to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the cases vigorously for early finalization and **para was kept pending.**

**55.           Para No.16.2:**

**Deputy Commissioner Khushab-Rs.56,206/-.**

**11.9.2003** The Department explained that the expenditure on payment of electricity and gas bills related to the Camp Office located in the Deputy Commissioner House.

However, the representative of the Finance Department apprised the Committee that the residences of Deputy Commissioners were not declared as camp offices up to 2001.

The Committee directed that the matter should be looked into by the Administrative Department and irregular expenditure must be recovered from the officers concerned.

The para was kept pending.

**4.8.2004** The Department explained that the expenditure was incurred on account of electricity and sue gas charges in the camp office of DC's residence, Khushab which stood notified as such vide notification dated 15.12.1994.

Audit verified the contention of the Department.

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

**56.           Para No.16.3:****Deputy Commissioner D. G. Khan-Rs.65,069/-.**

**11.9.2003**       The Department explained that the expenditure on payment of electricity and gas bills related to the Camp Office located in the Deputy Commissioner House.

However, the representative of the Finance Department apprised the Committee that the residences of Deputy Commissioners were not declared as camp offices up to 2001.

The Committee directed that the matter should be looked into by the Administrative Department and irregular expenditure must be recovered from the officers concerned.

The para was kept pending.

**4.8.2004**       The Department explained that the amount drawn on account of electricity and sui gas bills etc. in the camp office of DCs residence, Dera Gazi Khan was due from Mr. Shahidullah Baig, the then DC, who was presently posted in the Federal Government. The matter of recovery was being pursued.

The para was kept pending for recovery.

**1.3.2005**       The Department explained that cases had been referred to the Finance Department for regularization and the same were under process.

The Department was directed to pursue the cases vigorously for early finalization and **para was kept pending.**

**57.           Para No.17.1: Pages 21 & 23 of Audit Report for the year 1998-99; Recovery of Rs.409,580/- due to non/less deduction of income tax.**

**Deputy Commissioner Rajanpur-Rs.154,106/-.**

**11.9.2003**       The Department explained that the concerned firms had been directed to produce their income tax clearance certificates

The Committee directed that the recovery effected from the firms if any, be verified by the Audit and the recovery of balance amount should be got expedited.

The para was kept pending.

**4.8.2004** The Department explained that an amount of Rs.27025/60 had been recovered and deposited into the government treasury and efforts for balance recovery were being made.

The Committee kept the para pending for recovery of balance amount and verification of the recovered amount by Audit.

**2.3.2005** The Department explained that recovery of Rs.27,025/- had since been effected. Efforts were being made to recover balance amount.

The Department was directed to effect balance recovery at the earliest and **para was kept pending.**

**58.           Para No.17.2:**

**Deputy Commissioner Gujrat-Rs.255,474/-.**

**11.9.2003** The Department explained that an amount of Rs.234,429/- had been recovered from the firm and efforts were being made for the recovery of the balance amount of Rs.21,045/-.

The Committee directed that the amount recovered be got verified by the Audit and efforts be made for recovery of the balance amount.

The para was kept pending.

**4.8.2004** The Department explained that the entire amount had been recovered and deposited into the government treasury. Audit verified the contention of the Department.

The Committee **settled the para on the recommendation of Audit.**

**59.           Para No.18.1: Pages 24 & 25 of Audit Report for the year 1998-99;**  
**Non-production of record for**  
**Rs.2,271,948/-.**

**Deputy Commissioner Vehari-Rs.1,784,343/-.**

**11.9.2003** The Department explained that the record pertaining to the expenditure of Rs.1,706,343/- was produced to Audit during SDAC meeting held on 7.8.1999 and the para was settled by the SDAC. Moreover, the record of the expenditure of the remaining amount of Rs.78,000/- was also available.

The Committee directed that the record be verified on 12.9.2003.

After verification of record in the meeting on 12.9.2003 by Audit, **the para was settled.**

**60.           Para No.18.2:**

**Commissioner Lahore-Rs.487,605/-.**

**11.9.2003**       The Department explained that the record pertaining to Log books/Purchase of POL was available.

The Committee directed the Department and the Audit that all the paras regarding POL charges be got verified by the Audit within 3 months.

The para was kept pending.

**4.8.2004**       The Department explained that SAO to DCO, Lahore had reported that requisite log books complete in all respects duly supported with the relevant record were available for verification.

Audit stated that the log books had not been prepared as per instructions contained in appendix 14 of PFR Volume I . The Department requested that the para be pended for preparation of record accordingly.

The Committee acceded to the request of Department and the para was kept pending.

**2.3.2005**       The Department explained that the requisite Log Books complete in all respects duly supported with the relevant record were available for verification.

**The para was kept pending with the direction either to produce the Log Books to Audit for verification or effect recovery from the persons concerned.**

The Department was further directed that in future the Log Books be maintained as per requirements of rules.

**61.           **Para No.19: Page 27 of Audit Report for the year 1998-99; Irregular****

**shifting of headquarters infructuous expenditure on payment of salaries amounting to Rs.2,326,122/-.**

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**11.9.2003** The Department explained that the expenditure was unavoidable due to shifting of headquarters of 31 officials from the office of Deputy Commissioner, Rajanpur to the office of Assistant Commissioner, Jampur in the public interest, and the matter for regularization of the expenditure was in process.

The Committee directed the Department that the amount be regularized by the Finance Department.

The para was kept pending.

**4.8.2004** The Department stated that the case for regularization had been referred to F.D vide letter dated 31.5.2004.

The para was kept pending for regularization.

**1.3.2005** The Department explained that as per advice of the Finance Department, a summary had been moved to the Chief Minister Punjab soliciting regularization of expenditure.

The Department was directed to pursue the case for early finalization and **para was kept pending.**

**62. Para No.20: Page 27 of Audit Report for the year 1998-99; Non recovery of Rs.53,142/- as advance tax on auction proceeds (On Lease) of government property.**

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**11.9.2003** The Department explained that the deposit of Rs.35,190/- had already been got verified by Audit and efforts were being made for recovery of remaining amount of Rs.17,952/-

The Committee directed that the recovered amount be verified by the Audit, and efforts be made to recover the balance amount.

The para was kept pending for recovery of the balance amount/verification by Audit.

**4.8.2004** The Department explained that an amount of Rs.35,190/- had been recovered and verified by the Audit and efforts for balance recovery of Rs.17,952/- were being made.

The para was kept pending for balance recovery.

**2.3.2205** The Department explained that recovery of Rs.35,190/- had been effected and deposited into Government Treasury. Efforts were being made to recover balance amount.

The Department was directed to effect balance recovery at the earliest and para was **settled subject to balance recovery and its verification by Audit.**

**63.            Para No.21: Page 28 of Audit Report for the year 1998-99; Irregular payment on account of telephone charges Rs.385,950/-.**

**11.9.2003** The Department explained that the case of excess expenditure over the prescribed limit in respect of residential telephone would be considered and if justified, it would be referred to the Finance Department for regularization, otherwise the amount would be recovered from the officers concerned.

The Committee directed that regularization/recovery should be completed expeditiously.

The para was kept pending.

**3.8.2004** The Department explained that Mr. Safdar Iqbal, ex-District Nazir, office of DC Jhang was dismissed from service and criminal cases on account of embezzlement of Government amount and mis-placement of official record had been registered against him. DPO, Jhang had been requested to recover the government money and official record.

The Committee desired that DPO, Jhang be directed to finalize investigation of criminal cases registered against the ex-District Nazir and take further action as per law within one month under intimation to PAC.

Para being of similar nature as the same official was involved were kept pending.

**1.3.2005** The Department explained that efforts were being made for recovery of Government loss/ record.

The Department was directed to pursue the cases vigorously for early finalization and **para was kept pending.**



**64.            Para No.22: Page 28 of Audit Report for the year 1998-99; Non disposal of valuable machinery and equipment.**

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**11.9.2003**        The Department explained that the directions had been issued to the Executive District Officer (Revenue), Gujranwala for condemnation/disposal of unserviceable/surplus store as early as possible.

The Committee directed that action should be completed expeditiously.

The para was kept pending.

**4.8.2004**        The Department explained that proceedings for auction/disposal of stores/stock were under process with DO(R), Gujranwala who, after devolution, was no more empowered to dispose off the confiscated and un-claimed property under section 550 of Cr PC. The District and Sessions Judge, Gujranwala had been requested to pass orders of auction. The Department requested for keeping the para pending till the decision of the court.

The Committee acceded to the request of the Department and kept the para pending.

**1.3.2005**        The Department explained that the decision of the District and Session Judge Gujranwala was still awaited

The Department was directed to pursue the case for early finalization and **para was kept pending.**

**AUDIT PARAS (REVENUE RECEIPTS) FOR THE YEAR 1998-99**

**65.            Para No.2.1 Pages No. 35 & 36 of Audit Report for the year 1998-99, Short-realization of stamp duty due to under valuation – Rs.29,546,182/-**

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**12.9.2003**        In this audit para, the Audit had pointed out that in 1617 cases 26 Sub-Registrars had under value the property which had resulted in short-realization of stamp duty and registration fee.

The Department explained that some cases of under valuation of property related to the site and location of the property while some cases related to the interpretation of law whether the stamp duty was to be paid at the time of execution of the document or rates

applicable at the time of registration of the documents.

The Committee discussed the matter and directed that :-

i) So far as under valuation of property due to site and location of property was concerned, a Sub-Committee comprising the following Members and officers should examine the cases and submit its report to the Committee within three months:-

- |    |  |          |
|----|--|----------|
| 1) | Rai Ijaz Ahmad, MPA  | Convener |
| 2) | Ch. Abdul Ghafoor Khan, MPA  | Member   |
| 3) | Rai Ahmad Ali,<br>Deputy Secretary, Assessment,<br>Board of Revenue, Punjab. | Member   |
| 4) | Mr. Razzaq Ahmad,<br>Audit Officer   | Member   |

The Sub-Committee should select at random some cases for spot checking and must also visit other districts besides Lahore.

ii) So far as the matter of legal interpretation was concerned, the Department was directed to make a comprehensive reference to the Law Department giving the point of view of the Audit and the point of view of the Board of Revenue for obtaining the legal opinion and further action should be taken in the light of the advice of the Law Department.

The para was kept pending.

**4.8.2004** The Committee was informed that the Sub-Committee formed under the Chairmanship of Rai Ijaz Ahmad MPA, had visited some areas for spot verification regarding valuation of property according to its location. However, the Sub-Committee had not yet finalized its visits.

Senior Member BOR stated that Law Department's advice on the chargeability of stamps duty had been received. As per the advice, the stamp duty was chargeable at the time of execution of documents and not at the time of registration of documents. Law Department had further clarified that the agricultural land did not include in the definition of built up area declared by the government. However, whether built up area was an agricultural land or subservient to it was question of fact which could be decided through consultation of revenue record as well as visiting the actual site.

The Committee directed that Sub-Committee should visit various Districts for spot checking and submit its report to the Committee at an early date.

The above para pertaining to stamp duty was kept pending.

**1.3.2005** The Department explained that cases were under active consideration of Sub Committee-1 of PAC-1 and task was being completed.

The para was kept pending till the submission of report by the Sub Committee.

**66. Para No.2.2 Pages 36 & 37 of Audit Report for the year 1998-99; Short-realization of stamp duty and registration fee due to application of incorrect rates-Rs.1,154,549/-.**

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**4.8.2004** The Committee was informed that the Sub-Committee formed under the Chairmanship of Rai Ijaz Ahmad MPA, had visited some areas for spot verification regarding valuation of property according to its location. However, the Sub-Committee had not yet finalized its visits.

Senior Member BOR stated that Law Department's advice on the chargeability of stamps duty had been received. As per the advice, the stamp duty was chargeable at the time of execution of documents and not at the time of registration of documents. Law Department had further clarified that the agricultural land did not include in the definition of built up area declared by the government. However, whether built up area was an agricultural land or subservient to it was question of fact which could be decided through consultation of revenue record as well as visiting the actual site.

The Committee directed that Sub-Committee should visit various Districts for spot checking and submit its report to the Committee at an early date.

The above para pertaining to stamp duty was kept pending.

**1.3.2005** The Committee was informed that report from the Sub-Committee was still awaited. The Committee decided to consider the para itself and make the following decision/recommendations:-

**2.2 (a)**

- (i) PDP No.5467 Sub-Registrar, Tandlianwala-Rs.179,660/-.

The Department explained that no loss had been caused to the Government. Advice of law Department and Finance Department had been obtained according to which the Administrative Department had been empowered to remit such deficiency.

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

- (ii) PDP No.5003 Sub-Registrar, Vehari-Rs.11,210/-.

The Department explained that the item actually relates to Ferozewala instead of Vehari. Annotation of the item had not been received. Matter was being expedited.

The Department was directed to finalize the necessary action at the earliest and **the item was kept pending**.

**2.2 (b)**

- (i) PDP No.4954 Sub-Registrar, Model Town, Lahore-Rs.12,600/-.

The Department explained that deficient amount in item had been recovered through Bank Challan dated 10.9.2003.

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

- (ii) PDP No.5096 Sub-Registrar, Attock-Rs.13,940/-.

The Department explained that recovery had been effected except balance recovery of Rs.2,000/-.

The **item was settled subject to balance recovery and verification of record by Audit**.

- (iii) PDP No.5470 Sub-Registrar, Tandlianwala-Rs.11,336/-.

The Department explained that stamp duty of Rs.23,375/- was paid on the value of Rs.2,74,656/- which was correct under Article 23(b) of Schedule-1 of the Stamp Act. 1899.

The **item was settled subject to verification of record by Audit**.

(iv) PDP No.5266 Sub-Registrar, Vehari-Rs.17,535/-.

(v) PDP No.5518 Sub-Registrar, Toba Tek Singh-Rs.30,000/-.

The Department explained that recovery had been effected and verified by Audit.

On the recommendation of Audit, **the items were settled.**

(vi) PDP No.5439 Sub-Registrar, Pasrur-Rs.27,750/-.

The Department explained that deficiency of Rs.27,750/-had been deposited into Government treasury.

The **item was settled subject to verification of record by Audit.**

(vii) PDP No.5076 Sub-Registrar, Texila-Rs.42,985/-.

The Department explained that deficiency of Rs. 10,245/-had been admitted and balance amount was related to documents which were destroyed by burning., FIR No.657 dated 21-11-1998 was registered in Police Station Taxila

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

## 2.2 (c)

(i) PDP No.5073 Sub-Registrar, Texila-Rs.115,799/-.

The Department explained that record of the office was destroyed by burning. FIR had been registered in Police Station Taxila

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

(ii) PDP No.5529 Sub-Registrar, Pir Mahal-Rs.20,340/-.

The Department explained that recovery had been effected and verified by Audit.

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

(iii) PDP No.5246 Sub-Registrar, Sadiqabad-Rs.27,586/-.

The Department explained that an amount of Rs.1768/- had been deposited into Government treasury. Efforts were being made to recover the balance amount.

**The item was settled subject to recovery and its verification by Audit.**

## 2.2 (d)

(i) PDP No.5079 Sub-Registrar, Texila-Rs.25,730/-.

The Department explained that record of the office was destroyed by fire in the record room of the Sub Registrar, Taxila and a case had been registered.

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

(ii) PDP No.5245 Sub-Registrar, Sadiqabad-Rs.37,390/-.

The Department explained that out of Rs.37,390/-, recovery of Rs.4,670/- had been effected. Efforts were being made to recover balance amount.

**The item was settled subject to balance recovery and verification of record by Audit.**

(iii) PDP No.5287 Sub-Registrar, Vehari-Rs.81,200/-.

The Department explained that complete recovery had been effected and verified by Audit.

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

## 2.2 (e)

(i) PDP No.5244 Sub-Registrar, Sadiqabad-Rs.3,800/-.

The Department explained that recovery of Rs.4,670/- had been effected and deposited into Government Treasury. Efforts were being made to recover the balance amount.



**The item was settled subject to balance recovery and its verification by Audit.**

(ii) PDP No.5011 Sub-Registrar, Ferozewala-Rs.46,100/-.

The Department explained that as per valuation table prevalent at the time of execution of document under Section 2(6) and 2(11) of Stamp Act, 1899 or lying in non rating area or other areas where stamp duty was properly charged. Advice of Law Department had also been received.

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

(iii) PDP No.5077 Sub-Registrar, Taxila-Rs.35,944/-.

The Department explained that recovery of Rs.16,910/-/- had been effected and deposited into Government Treasury. Efforts were being made to recover the balance amount.

**The item was settled subject to balance recovery and its verification by Audit.**

## 2.2 (f)

PDP No.5074 Sub-Registrar, Taxila-Rs.89,000/-.

The Department explained that recovery of Rs.20,000/- had been effected and deposited into Government Treasury. Efforts were being made to recover the balance amount.

**The item was settled subject to balance recovery and its verification by Audit.**

## 2.2 (g)

(i) PDP No.5000 Sub-Registrar, Ferozewala-Rs.15,870/-.

The Department explained that agricultural property was purchased for residential purpose, the nature of land was agricultural and not residential. PAC had already dropped identical para no.4699 on 12-11-2001. that stamp duty was chargeable on the nature of the property sold and not for the purpose for which it was purchased.

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

(ii) PDP No.5648 Sub-Registrar, Tounsa Sharif-Rs.13,423/-.

The Department explained that recovery of Rs.13,423/- had been effected and deposited into Government Treasury. Efforts were being made to recover the balance amount.

**The item was settled subject to balance recovery and its verification by Audit**

(iii) PDP No.5268 Sub-Registrar, Vehari-Rs.12,000/-.

The Department explained that complete recovery had been effected and verified by Audit.

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

(iv) PDP No.5274 Sub-Registrar, Mian Channu-Rs.39,716/-.

The Department (SMBR) explained that the agricultural property was situated outside the municipal limits and the Audit Officer had considered it as residential property, therefore, the audit objection was not correct.

The explanation of the Senior Member Board of Revenue was accepted and **item was settled.**

## 2.2 (h)

PDP No.5010 Sub-Registrar, Ferozwala-Rs.76,980/-.

The Department explained that efforts were being made to recover outstanding dues.

The Department was directed to finalize the recovery action at the earliest and **item was kept pending.**

## 2.2 (i)

PDP No.5094 Sub-Registrar, Attock-Rs.43,480/-.

The Department explained that complete recovery had been effected.

**The item was settled subject to verification of record by Audit.**

## **2.2 (j)**

(i) PDP No.5629 Sub-Registrar, Pakpattan-Rs.24,625/-.

The Department explained that recovery of Rs.12,125/-/- had been effected and deposited into Government Treasury. Notice was issued for balance recovery and same had been stayed by the Court.

**The item was kept pending being sub-judice.**

(ii) PDP No.5270 Sub-Registrar, Vehari-Rs.10,010/-.

The Department explained that complete recovery had been effected and verified by Audit.

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

## **2.2 (k)**

PDP No.5284 Sub-Registrar, Burewala-Rs.36,360/-.

The Department explained that complete recovery had been effected.

**The item was settled subject to verification of record by Audit.**

## **2.2 (l)**

PDP No.5080 Sub-Registrar, Taxila-Rs.27,980/-.

The Department explained that complete recovery had been effected.

**The item was settled subject to verification of record by Audit.**

**67. Para No.2.3 Pages 46 & 47 of Audit Report for the year 1998-99;  
Short-realization of stamp duty and registration fee due to misclassification of**

**deeds-Rs.931,125/-.**

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**4.8.2004** The Committee was informed that the Sub-Committee formed under the Chairmanship of Rai Ijaz Ahmad MPA, had visited some areas for spot verification regarding valuation of property according to its location. However, the Sub-Committee had not yet finalized its visits.

Senior Member BOR stated that Law Department's advice on the chargeability of stamps duty had been received. As per the advice, the stamp duty was chargeable at the time of execution of documents and not at the time of registration of documents. Law Department had further clarified that the agricultural land did not include in the definition of built up area declared by the government. However, whether built up area was an agricultural land or subservient to it was question of fact which could be decided through consultation of revenue record as well as visiting the actual site.

The Committee directed that Sub-Committee should visit various Districts for spot checking and submit its report to the Committee at an early date.

The above para pertaining to stamp duty was kept pending.

**1.3.2005** The Committee was informed that the Sub-Committee had yet to examine the para. The Committee decided to consider the para itself and made the following decision/recommendation:-

**2.3 (a)**

- (i) PDP No.4906 Sub-Registrar (Cantt.), Lahore-Rs.599,800/-.
- (ii) PDP No.5093 Sub-Registrar, Attock-Rs.98,450/-.
- (iii) PDP No.5436 Sub-Registrar, Pasrur-Rs.99,375/-.

The Department explained that PAC had already settled identical para no.4365 on 27-2-2002 including 24 other paras declaring that agreements were not conveyance deeds.

**Items were settled subject to verification of relevant record by Audit.**

**2.3 (b)**

PDP No.5009 Sub-Registrar, Ferozewala-Rs.133,500/-.

The Department explained that the relevant property was agricultural in nature and did not include any built up area.

The Department was directed to justify their contention with facts and figures and item was kept pending.

**68.            Para No.2.4 Pages 48 & 49 of Audit Report for the year 1998-99; In-admissible refund of stamp duty-Rs.771,575/-.**

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**4.8.2004**      The Committee was informed that the Sub-Committee formed under the Chairmanship of Rai Ijaz Ahmad MPA, had visited some areas for spot verification regarding valuation of property according to its location. However, the Sub-Committee had not yet finalized its visits.

Senior Member BOR stated that Law Department's advice on the chargeability of stamps duty had been received. As per the advice, the stamp duty was chargeable at the time of execution of documents and not at the time of registration of documents. Law Department had further clarified that the agricultural land did not include in the definition of built up area declared by the government. However, whether built up area was an agricultural land or subservient to it was question of fact which could be decided through consultation of revenue record as well as visiting the actual site.

The Committee directed that Sub-Committee should visit various Districts for spot checking and submit its report to the Committee at an early date.

The above para pertaining to stamp duty was kept pending.

**1.3.2005**      The Department explained that refund was allowed within time limit given in Section 49 read with Section 50 of Stamp Act, 1899.

The explanation of Department was accepted and items were **settled subject to verification of record by Audit.**

**69.            Para No.2.5 Pages 49 & 50 of Audit Report for the year 1998-99; Non-realization of stamp duty on agreements between local councils and their contractors-Rs.4,033,425/-.**

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**4.8.2004**      The Committee was informed that the Sub-Committee formed under the Chairmanship of Rai Ijaz Ahmad MPA, had visited some areas for spot verification regarding

valuation of property according to its location. However, the Sub-Committee had not yet finalized its visits.

Senior Member BOR stated that Law Department's advice on the chargeability of stamps duty had been received. As per the advice, the stamp duty was chargeable at the time of execution of documents and not at the time of registration of documents. Law Department had further clarified that the agricultural land did not include in the definition of built up area declared by the government. However, whether built up area was an agricultural land or subservient to it was question of fact which could be decided through consultation of revenue record as well as visiting the actual site.

The Committee directed that Sub-Committee should visit various Districts for spot checking and submit its report to the Committee at an early date.

The above para pertaining to stamp duty was kept pending.

**1.3.2005** The Committee was informed that the Sub-Committee had yet to examine the para. The Committee decided to consider the para itself and made the following decision:-

- (i) PDP No.5604 Deputy Commissioner, Lodhran-Rs.43,205/-.
- (ii) PDP No.5243 Sub-Registrar, Sadiqabad-Rs.94,750/-.
- (iii) PDP No.5283 Sub-Registrar, Burewala-Rs.84,000/-.
- (iv) PDP Nos.5261, 5262 & 5263 Sub-Registrar, Vehari-Rs.381,880/-.
- (v) PDP No.5469 Sub-Registrar, Tandilianwala-Rs.26,000/-.

The Department explained that efforts were being made to recover the outstanding Government dues.

The Department was directed to effect the recovery at the earliest and **items were kept pending till recovery.**

- (vi) PDP No.5322 Deputy Commissioner, Sargodha-Rs.326,840/-.

The Department explained that DO (R) had been requested to take action for the immediate recovery of the outstanding amounts.



**The item was settled subject to recovery and its verification by Audit.**

(vii) PDP No.5172 Deputy Commissioner, Faisalabad-Rs.3,000,000/-.

The Department explained that notices for the recovery were sent to the concerned contractor who filed Writ Petition which was still pending in the Lahore High Court, Lahore.

**The item was kept pending being sub-judice.**

(viii) PDP No.5556 Deputy Commissioner, Bhakkar-Rs.76,750/-.

The Department explained that efforts were being made to recover the outstanding Government dues.

The Department was directed to effect the recovery at the earliest and **item was kept pending till recovery.**

**70. Para No.2.6 Pages 50 & 51 of Audit Report for the year 1998-99;  
Short-realization of stamp duty due to negligence of staff-Rs.167,300/-.**

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**4.8.2004** The Committee was informed that the Sub-Committee formed under the Chairmanship of Rai Ijaz Ahmad MPA, had visited some areas for spot verification regarding valuation of property according to its location. However, the Sub-Committee had not yet finalized its visits.

Senior Member BOR stated that Law Department's advice on the chargeability of stamps duty had been received. As per the advice, the stamp duty was chargeable at the time of execution of documents and not at the time of registration of documents. Law Department had further clarified that the agricultural land did not include in the definition of built up area declared by the government. However, whether built up area was an agricultural land or subservient to it was question of fact which could be decided through consultation of revenue record as well as visiting the actual site.

The Committee directed that Sub-Committee should visit various Districts for spot checking and submit its report to the Committee at an early date.

The above para pertaining to stamp duty were kept pending.

**1.3.2005** The Committee was informed that the Sub-Committee had yet to examine the para. The Committee decided to consider the para itself and made the following decision:-

PDP No.5281 Sub-Registrar, Burewala-Rs.167,300/-.

The Department explained that complete recovery had been effected and deposited into Government Treasury.

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

**71. Para No.2.7 Page 51 of Audit Report for the year 1998-99; Short-realization of stamp duty and registration fee on exchange of agricultural land-Rs.85,500/-.**

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**4.8.2004** The Committee was informed that the Sub-Committee formed under the Chairmanship of Rai Ijaz Ahmad MPA, had visited some areas for spot verification regarding valuation of property according to its location. However, the Sub-Committee had not yet finalized its visits.

Senior Member BOR stated that Law Department's advice on the chargeability of stamps duty had been received. As per the advice, the stamp duty was chargeable at the time of execution of documents and not at the time of registration of documents. Law Department had further clarified that the agricultural land did not include in the definition of built up area declared by the government. However, whether built up area was an agricultural land or subservient to it was question of fact which could be decided through consultation of revenue record as well as visiting the actual site.

The Committee directed that Sub-Committee should visit various Districts for spot checking and submit its report to the Committee at an early date.

The above para pertaining to stamp duty was kept pending.

**1.3.2005** The Committee was informed that the Sub-Committee had yet to examine the para. The Committee decided to consider the para itself and made the following decision:-

PDP No.5008 Sub-Registrar, Ferozwala-Rs.85,500/-.

The Department explained that efforts were being made to recover the outstanding Government dues.

The Department was directed to effect the recovery at the earliest and **item was kept pending till recovery.**

**72. Para No.2.8 Pages 51 & 52 of Audit Report for the year 1998-99; Short-realization of stamp duty due to mis-statement of facts and negligence of staff-Rs.70,712/-.**

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**4.8.2004** The Committee was informed that the Sub-Committee formed under the Chairmanship of Rai Ijaz Ahmad MPA, had visited some areas for spot verification regarding valuation of property according to its location. However, the Sub-Committee had not yet finalized its visits.

Senior Member BOR stated that Law Department's advice on the chargeability of stamps duty had been received. As per the advice, the stamp duty was chargeable at the time of execution of documents and not at the time of registration of documents. Law Department had further clarified that the agricultural land did not include in the definition of built up area declared by the government. However, whether built up area was an agricultural land or subservient to it was question of fact which could be decided through consultation of revenue record as well as visiting the actual site.

The Committee directed that Sub-Committee should visit various Districts for spot checking and submit its report to the Committee at an early date.

The above para pertaining to stamp duty was kept pending.

**1.3.2005** The Committee was informed that the Sub-Committee had yet to examine the para. The Committee decided to consider the para itself and made the following decision:-

PDP No.5265 Sub-Registrar, Vehari-Rs.70,712/-.

The Department explained that deficient amount of Rs.70,712/- had been declared as arrears of land revenue. Notices were issued to the parties for the recovery but the same had been stayed by the Court.

**The para was kept pending being sub-judice.**

**73. Para No.2.9 Pages 52 & 53 of Audit Report for the year 1998-99; Non-recovery of arrears of water rate (Abiana)-Rs.67,001,956/-.**

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**12.9.2003** The above mentioned audit para related to non-realization of arrears of abiana and surcharge of abiana for the year 1998-99.

The Department explained that the Dhal-bach i.e the statement showing the amount of abiana recoverable from the land owners was prepared by the Irrigation and Power

Department and passed on to the Revenue Department for collection of the same as arrears of land revenue. The collection of arrears of abiana was a continuous process and efforts were being made to recover the arrears.

Some members of the Committee expressed the views that the main issue was not the non-recovery of abiana but the main issue was that canal water did not reach upto the tail ends of the water courses and the owners were required to pay abiana even if they had received no irrigation water. The Board of Revenue explained that these matters related to the Irrigation & Power Department and not to the Board of Revenue.

After some discussion the Committee decided that the above mentioned para relating to collection of abiana should be connected with the business of the Irrigation and Power Department.

The Committee further directed that both the Irrigation & Power Department and the Board of Revenue should be simultaneously called to the next meeting of the Committee for joint discussion on the matter.

The para was kept pending.

**3.8.2004** In compliance with the directions of the PAC meeting dated 10-12 September 2003, the Committee was briefed by Irrigation & Power Department and Board of Revenue on the issue of Abiana collection. Chief Engineer, Irrigation Department highlighting various aspects of the issue stated that on the basis of assessment of Abiana by Irrigation Department, the collection thereof was the responsibility of the Board of Revenue. He gave details of remission granted on failed crops, and rebate given on land situated at tail ends. He further stated that remissions were being given on the recommendations of the Committees comprising representatives of Board of Revenue and Irrigation Department.

Senior Member, Board of Revenue, was of the view that realistic creation of demand as per site situation was the sole responsibility of the Irrigation Department and Board of Revenue was not at all concerned with preparation of 'Dhall Bash'. Therefore, land owners should not suffer for wrong assessment made by Irrigation Department.

Finance Department observed that 10% surcharge should not be levied on the land owners in case preparation of '*Khatonies/Dhal Bash*' was delayed by Irrigation Department.

After detailed discussion, the Committee directed that Irrigation Department should carry out a general survey covering all aspects of the issue including remissions admissible under the rules in respect of the areas situated at tail ends, the issue of levy of 10% surcharge etc. and should submit a comprehensive report within 60 days to PAC for consideration.

The para was kept pending.

**1.3.2005** The Department explained that complete recovery in respect of seven draft paras i.e. 5614,5618,5524,5558,5562,5570 &5577 had been effected and verified by Audit. Efforts were being made to recover the outstanding amount as arrears of land revenue.

The Department was directed to effect outstanding recovery at the earliest and **para was settled subject to balance recovery and its verification by Audit.**

**74. Para No.2.10 Pages 54 & 55 of Audit Report for the year 1998-99; Non-realization of 10 per cent surcharge for non-payment of Abiana by due dates-Rs.16,982,775/-.**

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**12.9.2003** The above mentioned audit para related to non-realization of arrears of abiana and surcharge of abiana for the year 1998-99.

The Department explained that the Dhal-bach i.e the statement showing the amount of abiana recoverable from the land owners was prepared by the Irrigation and Power Department and passed on to the Revenue Department for collection of the same as arrears of land revenue. The collection of arrears of abiana was a continuous process and efforts were being made to recover the arrears.

Some members of the Committee expressed the views that the main issue was not the non-recovery of abiana but the main issue was that canal water did not reach upto the tail ends of the water courses and the owners were required to pay abiana even if they had received no irrigation water. The Board of Revenue explained that these matters related to the Irrigation & Power Department and not to the Board of Revenue.

After some discussion the Committee decided that the above mentioned para relating to collection of abiana should be connected with the business of the Irrigation and Power Department.

The Committee further directed that both the Irrigation & Power Department and the Board of Revenue should be simultaneously called to the next meeting of the Committee for joint discussion on the matter.

The para was kept pending.

**3.8.2004** In compliance with the directions of the PAC meeting dated 10-12 September 2003, the Committee was briefed by Irrigation & Power Department and Board of Revenue on the issue of Abiana collection. Chief Engineer, Irrigation Department highlighting various aspects of the

issue stated that on the basis of assessment of Abiana by Irrigation Department, the collection thereof was the responsibility of the Board of Revenue. He gave details of remission granted on failed crops, and rebate given on land situated at tail ends. He further stated that remissions were being given on the recommendations of the Committees comprising representatives of Board of Revenue and Irrigation Department.

Senior Member, Board of Revenue, was of the view that realistic creation of demand as per site situation was the sole responsibility of the Irrigation Department and Board of Revenue was not at all concerned with preparation of 'Dhall Bash'. Therefore, land owners should not suffer for wrong assessment made by Irrigation Department.

Finance Department observed that 10% surcharge should not be levied on the land owners in case preparation of '*Khatonies/Dhal Bash*' was delayed by Irrigation Department.

After detailed discussion, the Committee directed that Irrigation Department should carry out a general survey covering all aspects of the issue including remissions admissible under the rules in respect of the areas situated at tail ends, the issue of levy of 10% surcharge etc. and should submit a comprehensive report within 60 days to PAC for consideration.

The para was kept pending.

**1.3.2005** The Department explained that complete recovery in respect of D.P. No.5488,5477,5525,& 5620 had been effected and verified by Audit. Efforts were being made to recover the outstanding amount as arrears of land revenue.

The Department was directed to effect outstanding recovery at the earliest and  
**para was kept pending.**

**75. Para No.2.11 Page 56 of Audit Report for the year 1998-99; Non-realization of Abiana due to not-carrying forward the year end outstanding balances-Rs.14,271,996/-.**

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**12.9.2003** The above mentioned audit para related to non-realization of arrears of abiana and surcharge of abiana for the year 1998-99.

The Department explained that the Dhal-bach i.e the statement showing the amount of abiana recoverable from the land owners was prepared by the Irrigation and Power Department and passed on to the Revenue Department for collection of the same as arrears of land revenue. The collection of arrears of abiana was a continuous process and efforts were being made to recover the arrears.



Some members of the Committee expressed the views that the main issue was not the non-recovery of abiana but the main issue was that canal water did not reach upto the tail ends of the water courses and the owners were required to pay abiana even if they had received no irrigation water. The Board of Revenue explained that these matters related to the Irrigation & Power Department and not to the Board of Revenue.

After some discussion the Committee decided that the above mentioned para relating to collection of abiana should be connected with the business of the Irrigation and Power Department.

The Committee further directed that both the Irrigation & Power Department and the Board of Revenue should be simultaneously called to the next meeting of the Committee for joint discussion on the matter.

The para was kept pending.

**3.8.2004** In compliance with the directions of the PAC meeting dated 10-12 September 2003, the Committee was briefed by Irrigation & Power Department and Board of Revenue on the issue of Abiana collection. Chief Engineer, Irrigation Department highlighting various aspects of the issue stated that on the basis of assessment of Abiana by Irrigation Department, the collection thereof was the responsibility of the Board of Revenue. He gave details of remission granted on failed crops, and rebate given on land situated at tail ends. He further stated that remissions were being given on the recommendations of the Committees comprising representatives of Board of Revenue and Irrigation Department.

Senior Member, Board of Revenue, was of the view that realistic creation of demand as per site situation was the sole responsibility of the Irrigation Department and Board of Revenue was not at all concerned with preparation of 'Dhall Bash'. Therefore, land owners should not suffer for wrong assessment made by Irrigation Department.

Finance Department observed that 10% surcharge should not be levied on the land owners in case preparation of '*Khatonies/Dhal Bash*' was delayed by Irrigation Department.

After detailed discussion, the Committee directed that Irrigation Department should carry out a general survey covering all aspects of the issue including remissions admissible under the rules in respect of the areas situated at tail ends, the issue of levy of 10% surcharge etc. and should submit a comprehensive report within 60 days to PAC for consideration.

The para was kept pending.

**1.3.2005** The Department explained that recovery of Rs.4,335,430/- had since been effected and deposited into Government Treasury. Efforts were being made to recover the outstanding amount as arrears of land revenue.

The Department was directed to carry forward the un-paid Government dues to the subsequent year's demand register for effecting outstanding recovery at the earliest and **para was settled subject to balance recovery and its verification by Audit.**

**76. Para No.2.12 Page 57 of Audit Report for the year 1998-99; Non-realization of Abiana due to non-pursuance of cases under observation-Rs.321,014/-.**

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**12.9.2003** The above mentioned audit para related to non-realization of arrears of abiana and surcharge of abiana for the year 1998-99.

The Department explained that the Dhal-bach i.e the statement showing the amount of abiana recoverable from the land owners was prepared by the Irrigation and Power Department and passed on to the Revenue Department for collection of the same as arrears of land revenue. The collection of arrears of abiana was a continuous process and efforts were being made to recover the arrears.

Some members of the Committee expressed the views that the main issue was not the non-recovery of abiana but the main issue was that canal water did not reach upto the tail ends of the water courses and the owners were required to pay abiana even if they had received no irrigation water. The Board of Revenue explained that these matters related to the Irrigation & Power Department and not to the Board of Revenue.

After some discussion the Committee decided that the above mentioned para relating to collection of abiana should be connected with the business of the Irrigation and Power Department.

The Committee further directed that both the Irrigation & Power Department and the Board of Revenue should be simultaneously called to the next meeting of the Committee for joint discussion on the matter.

The para was kept pending.

**3.8.2004** In compliance with the directions of the PAC meeting dated 10-12 September 2003, the Committee was briefed by Irrigation & Power Department and Board of Revenue on the issue of Abiana collection. Chief Engineer, Irrigation Department highlighting various aspects of the issue stated that on the basis of assessment of Abiana by Irrigation Department, the collection

thereof was the responsibility of the Board of Revenue. He gave details of remission granted on failed crops, and rebate given on land situated at tail ends. He further stated that remissions were being given on the recommendations of the Committees comprising representatives of Board of Revenue and Irrigation Department.

Senior Member, Board of Revenue, was of the view that realistic creation of demand as per site situation was the sole responsibility of the Irrigation Department and Board of Revenue was not at all concerned with preparation of 'Dhall Bash'. Therefore, land owners should not suffer for wrong assessment made by Irrigation Department.

Finance Department observed that 10% surcharge should not be levied on the land owners in case preparation of '*Khatonies/Dhal Bash*' was delayed by Irrigation Department.

After detailed discussion, the Committee directed that Irrigation Department should carry out a general survey covering all aspects of the issue including remissions admissible under the rules in respect of the areas situated at tail ends, the issue of levy of 10% surcharge etc. and should submit a comprehensive report within 60 days to PAC for consideration.

The para was kept pending.

**1.3.2005** The Department explained that recovery of Rs.44,701/- had since been effected and deposited into Government Treasury. Efforts were being made to recover the outstanding amount as arrears of land revenue.

The Department was directed to effect outstanding recovery at the earliest and **para was settled subject to balance recovery and its verification by Audit.**

**77. Para No.2.13 Page 58 of Audit Report for the year 1998-99; Non-realization of Abiana due to short accountal/creation of demand-Rs.73,039/-.**

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**12.9.2003** The above mentioned audit para related to non-realization of arrears of abiana and surcharge of abiana for the year 1998-99.

The Department explained that the Dhal-bach i.e the statement showing the amount of abiana recoverable from the land owners was prepared by the Irrigation and Power Department and passed on to the Revenue Department for collection of the same as arrears of land revenue. The collection of arrears of abiana was a continuous process and efforts were being made to recover the arrears.

Some members of the Committee expressed the views that the main issue was not the non-recovery of abiana but the main issue was that canal water did not reach upto the tail ends

of the water courses and the owners were required to pay abiana even if they had received no irrigation water. The Board of Revenue explained that these matters related to the Irrigation & Power Department and not to the Board of Revenue.

After some discussion the Committee decided that the above mentioned para relating to collection of abiana should be connected with the business of the Irrigation and Power Department.

The Committee further directed that both the Irrigation & Power Department and the Board of Revenue should be simultaneously called to the next meeting of the Committee for joint discussion on the matter.

The para was kept pending.

**3.8.2004** In compliance with the directions of the PAC meeting dated 10-12 September 2003, the Committee was briefed by Irrigation & Power Department and Board of Revenue on the issue of Abiana collection. Chief Engineer, Irrigation Department highlighting various aspects of the issue stated that on the basis of assessment of Abiana by Irrigation Department, the collection thereof was the responsibility of the Board of Revenue. He gave details of remission granted on failed crops, and rebate given on land situated at tail ends. He further stated that remissions were being given on the recommendations of the Committees comprising representatives of Board of Revenue and Irrigation Department.

Senior Member, Board of Revenue, was of the view that realistic creation of demand as per site situation was the sole responsibility of the Irrigation Department and Board of Revenue was not at all concerned with preparation of 'Dhall Bash'. Therefore, land owners should not suffer for wrong assessment made by Irrigation Department.

Finance Department observed that 10% surcharge should not be levied on the land owners in case preparation of '*Khatonies/Dhal Bash*' was delayed by Irrigation Department.

After detailed discussion, the Committee directed that Irrigation Department should carry out a general survey covering all aspects of the issue including remissions admissible under the rules in respect of the areas situated at tail ends, the issue of levy of 10% surcharge etc. and should submit a comprehensive report within 60 days to PAC for consideration.

The para was kept pending.

**1.3.2005** The Department explained that recovery of Rs.14,403/- had since been effected and deposited into Government Treasury. Efforts were being made to recover the outstanding amount as arrears of land revenue.

The Department was directed to effect outstanding recovery at the earliest and para was settled subject to balance recovery and its verification by Audit.

**78. Para No.2.14 Pages 58 & 59 of Audit Report for the year 1998-99; Non-realization of Abiana even after expiry of the validity of court stay orders-Rs.17,214,301/-.**

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**12.9.2003** The above mentioned audit para related to non-realization of arrears of abiana and surcharge of abiana for the year 1998-99.

The Department explained that the Dhal-bach i.e the statement showing the amount of abiana recoverable from the land owners was prepared by the Irrigation and Power Department and passed on to the Revenue Department for collection of the same as arrears of land revenue. The collection of arrears of abiana was a continuous process and efforts were being made to recover the arrears.

Some members of the Committee expressed the views that the main issue was not the non-recovery of abiana but the main issue was that canal water did not reach upto the tail ends of the water courses and the owners were required to pay abiana even if they had received no irrigation water. The Board of Revenue explained that these matters related to the Irrigation & Power Department and not to the Board of Revenue.

After some discussion the Committee decided that the above mentioned para relating to collection of abiana should be connected with the business of the Irrigation and Power Department.

The Committee further directed that both the Irrigation & Power Department and the Board of Revenue should be simultaneously called to the next meeting of the Committee for joint discussion on the matter.

The para was kept pending.

**3.8.2004** In compliance with the directions of the PAC meeting dated 10-12 September 2003, the Committee was briefed by Irrigation & Power Department and Board of Revenue on the issue of Abiana collection. Chief Engineer, Irrigation Department highlighting various aspects of the issue stated that on the basis of assessment of Abiana by Irrigation Department, the collection thereof was the responsibility of the Board of Revenue. He gave details of remission granted on

failed crops, and rebate given on land situated at tail ends. He further stated that remissions were being given on the recommendations of the Committees comprising representatives of Board of Revenue and Irrigation Department.

Senior Member, Board of Revenue, was of the view that realistic creation of demand as per site situation was the sole responsibility of the Irrigation Department and Board of Revenue was not at all concerned with preparation of 'Dhall Bash'. Therefore, land owners should not suffer for wrong assessment made by Irrigation Department.

Finance Department observed that 10% surcharge should not be levied on the land owners in case preparation of '*Khatonies/Dhal Bash*' was delayed by Irrigation Department.

After detailed discussion, the Committee directed that Irrigation Department should carry out a general survey covering all aspects of the issue including remissions admissible under the rules in respect of the areas situated at tail ends, the issue of levy of 10% surcharge etc. and should submit a comprehensive report within 60 days to PAC for consideration.

The para was kept pending.

**1.3.2005** The Department explained that recovery of Rs.6,437,043/- had since been recovered and deposited into Government Treasury. Efforts were being made to recover the outstanding amount as arrears of land revenue.

Department was directed to effect outstanding recovery at the earliest and **para was settled subject to balance recovery and its verification by Audit.**

### **GENERAL DIRECTION RESPECTING THE ISSUE OF ABIANA**

**1.3.2005** The Administrative Department was proposed to move case for making the necessary amendments in the Land Revenue Act with a view that 10% surcharge may not be imposed on the farmers and necessary incentive be provided to the Collector for timely collection of the abiana.



The Committee examined the Accounts of the Communication & Works Department in its meeting held on 1.10.2003, 2.10.2003, 3.10.2003, 1.12.2003, 2.12.2003, 3.12.2003, 11.12.2003, 12.12.2003, 13.12.2003, 11.8.2004, 1.2.2005, 2.2.2005 and 3.2.2005 and made the following recommendations:-

### **(Buildings)**

### **Audit Paras (Works) for the year 1998-99**

**2.10.2003** The Committee resumed the discussion on the issue regarding the paras relating to District Governments after devolution. The Secretary to Government of the Punjab, Law & Parliamentary Affairs Department was invited in the meeting to brief the Committee on the issue pertaining to such audit paras concerning the matters which related to the Communications & Works Department at the time of compilation of the audit report but had since been devolved to District Government concerned. Secretary Communications & Works Department contended that now the District Coordination Officers concerned were responsible to the Public Accounts Committee in respect of such audit paras, instead of the Administrative Department. According to the legal opinion tendered by the Secretary to Govt. of the Punjab, Law and Parliamentary Affairs Department to the Committee the Punjab Local Government Ordinance, 2001 had taken effect from 14<sup>th</sup> August 2001 and it had no retrospective effect, therefore, appropriation accounts and audit reports for the years prior to the coming into force of the Punjab Local Government Ordinance 2001 should be explained before the Public Accounts Committee by the respective administrative departments, who control the budget at the time of spending. However, the administrative departments may obtain the requisite information from the quarters concerned.

The Committee directed the Department to prepare the working papers in respect of all the audit paras contained in the audit report for the year 1998-99 relating to Communications & Works Department.

#### **1. Para No.1 Page 7 of Audit Report for the year 1998-99; Bogus payment of Rs.1,126,061/-.**

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**2.10.2003** Audit had observed that a bogus payment of Rs.1,126,061/- was drawn from government exchequer by putting forge signature on various vouchers of an out going /retired officer.

The Department explained that Audit observation was not defensible, disciplinary action had already been taken by the competent authority against the concerned SDO, SDC, and two Auditors. And a case had also been lodged in Anti-Corruption Establishment against them.

The Department further stated in the meeting that action under Punjab Removal from Service (Special Powers) Ordinance 2000 was also being taken against the concerned XEN who first denied the authenticity of his signatures but later on accepted the authenticity of his signatures on the disputed bills.

The Committee directed that the Department should hold an inquiry to determine whether the works for which payment was made had actually been executed and if any bogus payment was involved the same should be recovered after fixing the responsibility.

The Department was further directed to expedite the finalization of the disciplinary proceedings against the concerned XEN under the RSO 2000. Moreover, the concerned XEN may also be included in the Anti-Corruption case.

With the above direction, the para was kept pending.

**14.12.2004** The Department explained that as per findings of departmental inquiry, disciplinary action was ordered against the accused officers/officials and the record pertaining to subject para was lying with Anti Corruption Establishment.

The matter being under investigation, **para was kept pending.**

**2. Para No.2 Page 8 of Audit Report for the year 1998-99; Double payment of Rs.131,103/-.**

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**3.12.2003** The Department explained that the total recovery had been effected and verified by the Audit.

The Audit verified the contention of the Department.

The **para was settled.**

**3. Para No.3 Pages 8 & 9 of Audit Report for the year 1998-99; Unauthorized purchase and non accountal of articles of furniture (Rs.2,455,195).**

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**3.12.2003** The Department explained that articles of furniture were purchased as per estimate technically sanctioned by the competent authority and had been taken on T and P register.

The para was discussed and **settled.**

**4. Para No.4 Page 9 of Audit Report for the year 1998-99; Overpayment of Rs.44,665,289/-.**

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**1.12.2003** The Audit had pointed out that Allama Iqbal Medical College Division Lahore paid certain items of work as non schedule at higher rates without getting approval from the competent authority and provision in the TS estimate/agreement.

The Department explained that the Government had signed a contract with the Chinese Government for the installation of the equipment. This work was initially Technically Sanctioned but when the Chinese Consultants visited AIMC, they suggested some changes in the scope of work during the execution. So in emergency the SE changed the scope of work and approved some non schedule items. The Superintending Engineer was fully competent for variation upto 10%. The matter was also discussed in the SDAC meeting held on 13.1.2001 who decided that the rates may be revised by the next higher authority. According to the rates reduced by the next higher authority, the recovery works out to Rs.420,738/-.

The Department further explained that security of the contractor was still with the Department and the recovery would be effected from the security of the contractor.

The Committee decided that the following action be taken by the Department:-

1. Responsibility be fixed, recovery be effected and action be completed within 3 months.
2. To check whether the approval of revised technical sanction was within the 10% of the administrative approval.
3. To get reconciled the exact amount of recovery and;
4. Verification of final bill whether it was paid before approval revised technical sanction estimate or after.

The para was kept pending with the above direction.

**14.12.2004** The Department explained that penal action had been taken against the responsible staff and the revised TS was within the prescribed limit of administrative approval. The actual recoverable amount had been deposited into Government treasury. The final bill was prepared after revised TS estimate.

The Committee directed the Department to get the record verified by Audit by 30.12.2004.

The para was kept pending.

**5. Para No.5 Page 10 of Audit Report for the year 1998-99;  
Overpayment of Rs.1,913,538/-.**

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**3.12.2003** The Department explained that as a result of reconciliation with the Audit the amount of para had been reduced to Rs.1,451,015/-

The Audit recommended Advance Para Nos.58, 62 & 63 amounting to Rs.462,523/- for settlement stating that all the recovery had been effected and verified.

So far as Advance Para Nos.69, 70, 71, 72 & 73, amounting to Rs.1,451,015/- , were concerned, the Audit suggested that technical sanction of the detailed estimates be obtained from the Competent Authority.

The Committee settled the para subject to clearance of the revised scheme by the competent authority.

**15.12.2004** The Department explained that the scheme had been revised by P&D Department and was technically sanctioned by competent authority and all the relevant record in support of departmental contention had been produced to Audit for verification.

Audit verified the contention of the Department and recommended the para for settlement.

The para was according settled.

#### **6. Para No.6 Pages 10 & 11 of Audit Report for the year 1998-99; Overpayment of Rs.14,585,521/-.**

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**3.10.2003** Audit pointed out that an overpayment of Rs.14,585,521/- was made while measuring and paying different items of work in excess /without provision in the TS estimate / BOQ.

The Department explained that this para consisted of two parts and explained as under:-

#### **Part-I Excess payment of Rs.1,466,718/-.**

The Department admitted during the meeting that the Audit observation was correct and the concerned Engineers and Divisional Accounts Officers were liable for action on this account.

The Committee directed that the disciplinary action against the officers responsible for the excess payment including the Engineers and Divisional Accounts Officers

should be taken under the Removal from Service (Special Powers) Ordinance, 2000 by their respective competent authorities.

### **Part-II Excess payment of Rs.13,118,803/-**

The Department explained that the work related to the High Court and the variations from the approved estimates were made during the execution as per the instructions of the High Court Authorities. However, all the variations had been covered in the revised administrative approval and the revised technical sanction. The Audit, however, pointed out that the bill of the contractor had not yet been finalized.

The para was kept pending.

**14.12.2004** The Department explained that Ch. Muhammad Rafique, Director Administration office of Chief Engineer Punjab Projects Department, Lahore was appointed to probe into the matter pertaining to subject para and fix responsibility for the lapse. The report thereon was awaited.

**The para was kept pending till completion of inquiry proceedings.**

### **7. Para No.7 Page 11 of Audit Report for the year 1998-99; Overpayment of Rs.971,729/-.**

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**11.8.2004** The department explained that tenders were accepted by the competent authority in terms of Delegation of Powers Rules, 1990, Finance Department's letter dated 7-1-1992 read with letter dated 25-9-1999. The department further clarified that acceptance of tenders was within the cushion of 4½% as admissible under the rules and, therefore, no irregularity had been committed.

During the meeting, the audit accepted the departmental contention.

The Committee accepted the explanation of the department and **settled the para.**

### **8. Para No.8 Page 12 of Audit Report for the year 1998-99; Overpayment of Rs.770,763/-.**

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**1.12.2003** The Audit had pointed out that Allama Iqbal Medical College Division Lahore paid certain items of work as non schedule item at higher rate without getting approval from the competent authority and provision in the TS estimate/agreement. Thus resulted in over payment of Rs.770,763/-.

The Department explained that the Government had signed a contract with the Chinese Government for the installation of the equipment. This work was initially Technically Sanctioned but when the Chinese Consultants visited AIMC, they suggested some changes in the scope of work during the execution. So in emergency the SE changed the scope of work and approved some non schedule item. The Superintending Engineer was fully competent for variation upto 10%. The matter was also discussed in the SDAC meeting held on 13.1.2001 who decided that the rates may be revised by the next higher authority. According to the rates reduced by the Chief Engineer, the actual amount of recovery comes to Rs.290,604/-.

The Committee decided that the following action be taken by the Department:-

1. Responsibility be fixed, recovery be effected and action be completed within 3 months.
2. To check whether the approval of revised technical sanction was within the 10% of the administrative approval.
3. To get reconciled the exact amount of recovery and;
4. Verification of final bill whether it was paid before approval of revised technical sanction estimate or after.

The para was kept pending with the above direction.

**14.12.2004** The Department explained that penal action had been taken against the responsible staff and the revised TS was within the prescribed limit of administrative approval. The actual recoverable amount had been deposited into Government treasury. The final bill could not be paid because revised TS had been accorded by the Chief Engineer for Rs.214,890,000/-

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

**9. Para No.9 Pages 12 & 13 of Audit Report for the year 1998-99;  
Overpayment of Rs.768,770/-.**

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**1.12.2003** The Audit had pointed out that a Division had paid an extra item for RCC work superfluously. Paying of extra rates resulted in over payment of Rs.768,770/-.

The Department explained that the “item extra over corresponding schedule for additional works involved in RCC Waffle Slab” was sanctioned by the Chief Engineer concerned, considering the nature of work because waffle slab was not an ordinary/plain slab and could not be laid by using ordinary shuttering. Therefore, special arrangements were made in addition to



ordinary shuttering to lay the waffle slab at 50ft. height from NSL which was approved by the Chief Engineer.

The Finance Department differed with the department and explained that on schedule items no extra labour could be given.

The Committee directed the department to get clarification from the Standing Rates Committee before its next meeting.

The para was kept pending.

**14.12.2004** The Department explained that as per directions of PAC, the matter had been referred to Standing Rate Committee which was dissolved and the item rates were to be approved by the Superintending Engineer.

The Committee accepted the departmental explanation and **settled the para.**

**10.            Para No.10 Page 13 of Audit Report for the year 1998-99;  
Overpayment of Rs.342,014/-.**

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**1.12.2003** The Audit had pointed out that the Department paid higher rates of R.C.C instead of recommended rates associated with the M.S bars of 60000 PSI.

The Department explained that during the execution of work about 66% more quantity was paid to the contractor in running bills which was later on adjusted in final bill of the contractor.

The Committee pended the para with the direction that the responsibility be fixed and action be completed against the defaulters within 3 months.

**14.12.2004** The Department explained that action against the responsible officer was being taken which would be completed soon. However, Administrative Secretary contended that District Accounts Officer was equally responsible in the instant matter and action against him should also be taken.

The Committee directed that Director General Accounts Work should attend the meeting on 15.12.2004.

On 15.12.2004 the DG Accounts Work assured that instructions would be issued to the concerned quarters to strictly observe the pre-audit formalities and necessary action in case of subject para would also be taken.

**The para was kept pending till the completion of departmental action.**

**11. Para No.11 Pages 13 & 14 of Audit Report for the year 1998-99; Overpayment of Rs.289,000/-.**

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**3.10.2003** The Administrative Secretary stated before the Committee that he was not satisfied with the explanations given by the Department in the working papers. He said that the para could not be defended and prima facie the concerned Engineers and Divisional Accounts Officer was responsible for the irregularities pointed out by the Audit in the audit para. He assured the Committee that he would take action against the officers/officials of his department involved in these paras. Similar action should also be taken against the Divisional Accounts Officer concerned involved in the para by the Director General Accounts Works, Punjab.

The Committee directed that the concerned Engineer and Divisional Accounts Officer should be proceeded against under the Removal from Service (Special Powers) Ordinance, 2000 by their respective competent authority.

With the above direction, para was kept pending.

**14.12.2004** The Department explained that Ch. Muhammad Rafique, Director Administration office of Chief Engineer Punjab Projects Department, Lahore was appointed to probe into the matter pertaining to subject paras and fix responsibility for the lapse. The report thereon was awaited.

**The para was kept pending till completion of inquiry proceeding.**

**12. Para No.12 Page 14 of Audit Report for the year 1998-99; Overpayment of Rs.277,524/-.**

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**2.10.2003** Audit had pointed out that the rate of pipe window was inclusive of M. S. Grill and the separate payment for M.S. Grill had resulted in overpayment.

The Department explained that the rates given in the original T. S. were erroneous and in the revised estimate approved by the Chief Engineer, separate rates were given for pipe window without grill and for M. S. grill. The payment made to the contractor was accordingly adjusted in the succeeding running bills and the amount of Rs.37,200/- of the final bill had also been recovered.

The Department was directed to get the record verified by Audit by the next day.

On 3-10 2003, Audit stated in the meeting that the record had been verified and the para was settled by the Committee accordingly.

**13.            Para No.13 Page 15 of Audit Report for the year 1998-99;  
Overpayment of Rs.250,195/-.**

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**3.10.2003**        Audit had observed that the Department made an over payment of Rs.250,195/- on “Ornamental Architectural Face Work” which was not included in the Administrative Approval.

The Department explained that the item in question was included in the revised technical sanction, issued by the Chief Engineer on 28.10.1997 which was within the permissible limit of 10% above the administrative approval. The Finance Department supported the contention of the Administrative Department in principle.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004**    The Department explained that as per directions of PAC dated 2.10.2003, requisite record had been produced to Audit for verification.

Audit stated that facts had been verified.

On recommendation of Audit, the para was settled.

**14.            Para No.14 Page 16 of Audit Report for the year 1998-99;  
Overpayment of Rs.229,513/-.**

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**3.12.2003**        The Department explained that all the recovery had been effected and deposited into the Government Treasury.

The Committee settled the para subject to verification of record by Audit.

**15.12.2004**    The Department explained that total recovery had been effected and deposited into Government treasury which had been seen/verified by the Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was according settled.

**15.            Para No.15 Pages 16 & 17 of Audit Report for the year 1998-99;  
Overpayment of Rs.217,626/-.**

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**1.12.2003** Audit had pointed out that the Department had not produced the relevant record to the Audit for verification.

The Committee took serious notice and directed the Department to get verify all the records in respect of all the audit paras before 3<sup>rd</sup> December 2003 and the para was kept pending for verification of record by Audit.

The Audit stated on 3-12-2003 that all the record had been verified and recommended the para for settlement.

The **para was settled.**

**16. Para No.16 Page 17 of Audit Report for the year 1998-99;  
Overpayment of Rs.2,123,062/-.**

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**2.10.2003** Audit had observed that an over payment of Rs.2,123,062/- was made due to measurement and paid quantities of TOR steel and RCC in excess of provided in the estimate.

The Department explained that this audit para comprised of three proposed draft paras and explained as under:-

1. PDP No.29/1998-99 for Rs.2,020,302/-

The Department explained that the technical sanction was revised by the competent authority vide letter dated 2-2-2000 on the basis of detailed drawings issued by Chief Architect in respect of various floors/heights.

2. PDP No.29-A/1998-99 for Rs.75,044/-

The Department explained that the excess payment was involved on account of paying extra rates for additional height. The actual recovery of Rs.15,311/- was based on respective height as per CSR 1979 item No.12 Page 55 instead of Rs.75,044/- as worked out by the Audit. The audit version regarding the deduction of rates for laying concrete on respective floor was incorrect and actual recovery had been made. The work done had been covered in revised technical sanction.

3. PDP No.29-B/1998-99 for Rs.26,716/-

The Department explained that the excess payment was involved for additional rates allowed for Pakka Brick work. The actual recovery as worked out by department was Rs.11,470/-

instead of Rs.26,716/- which had been recovered from the contractor vide TE No.2 during the month of 8/2001.

The Committee accepted the explanation of the Department and **settled all the three parts of the para.**

**17. Para No.17 Pages 17 & 18 of Audit Report for the year 1998-99;  
Overpayment of Rs.139,194/-.**

**15.12.2004** Audit had pointed out that the Department paid higher rates for certain items which resulted in overpayment.

The Department explained that the rates for items used in compound walls were competitive tendered rates within the provisions of TS estimate and the Audit observation was based on presumptions as ex-factory price had been taken into account whereas after including carriage charges, labour and shuttering allowed by 10% contractor's profit, the rate of Rs.75/- P. rft. was fully justified.

The Committee accepted the departmental contention and the **para was settled.**

**18. Para No.18 Page 18 of Audit Report for the year 1998-99;  
Overpayment of Rs.128,000/-.**

**3.10.2003** The Administrative Secretary stated before the Committee that he was not satisfied with the explanations given by the Department in the working papers. He said that the para could not be defended and prima facie the concerned Engineers and Divisional Accounts Officer was responsible for the irregularities pointed out by the Audit in the audit para. He assured the Committee that he would take action against the officers/officials of his department involved in these paras. Similar action should also be taken against the Divisional Accounts Officer concerned involved in the para by the Director General Accounts Works, Punjab.

The Committee directed that the concerned Engineer and Divisional Accounts Officer should be proceeded against under the Removal from Service (Special Powers) Ordinance, 2000 by their respective competent authority.

With the above direction, para was kept pending.

**14.12.2004** The Department explained that Ch. Muhammad Rafique, Director Administration office of Chief Engineer Punjab Projects Department, Lahore was appointed to probe into the matter pertaining to subject paras and fix responsibility for the lapse. The report thereon was awaited.

**The para was kept pending till completion of inquiry proceeding.**

**19. Para No.19 Page 19 of Audit Report for the year 1998-99;  
Overpayment of Rs.117,085/-.**

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**3.10.2003** Audit had observed that an overpayment of Rs.117,085/- was made for the items of sub-base and base course on higher rates than the provision of CSR 1979.

The Department explained that the actual overpayment of Rs.116,292/- instead of Rs.117,085/- had since been recovered.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004** The Department explained that actual amount on account of over-payment had been recovered and requisite record had been produced to audit for verification.

**The para was accordingly settled.**

**20. Para No.20 Pages 19 & 20 of Audit Report for the year 1998-99;  
Overpayment of Rs.112,734/-.**

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**1.12.2003** The Audit had pointed out that the Department had not produced the relevant record to the Audit for verification.

The Committee took serious notice of it and directed the Department to get verify all the records in respect of all the audit paras before 3<sup>rd</sup> December 2003 and the para was kept pending for verification of record by Audit.

The Audit stated on 3-12-2003 that all the record had been verified and recommended the para for settlement.

**The para was settled.**

**21. Para No.21 Page 20 of Audit Report for the year 1998-99; Excess  
payment of Rs.103,514/-.**

---

**2.10.2003** Audit had observed that a payment of Rs.103,514/- was made due to excess for 5" thickness of RCC Slab instead of 4 ½" thickness as provided in the estimate.



The Department explained that the slab was laid as per design approved by P&D Department duly issued by drawing No.22-96-1 dated 18-11-1996.

The Committee accepted the explanation of the Department and **settled the para. 22. Para No.22 Page 21 of Audit Report for the year 1998-99; Overpayment of Rs.97,408/-.**

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**2.10.2003** Audit had observed that an overpayment of Rs.97,408/- was made on account of two coats of distemper on old surface instead of one coat as per specifications.

The Department informed that the application of single coat of distemper was quite insufficient to bring the surface in good condition and two coats distemper after scraping were allowed and paid accordingly based on item No.22 page 100 of CSR 1979.

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

**23. Para No.23 Pages 21 & 22 of Audit Report for the year 1998-99; Overpayment of Rs.95,678/-.**

---

**2.12.2003** The Audit had pointed out that the Department had not deducted the volume of road crust from the quantity of earth work for making embankment of the road.

The Department explained that the total recovery had been effected and verified by the Audit.

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

**24. Para No.24 Page 22 of Audit Report for the year 1998-99; Overpayment of Rs.77,094/-.**

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**3.10.2003** Audit had pointed out that payment of an item amounting to Rs.77,094/- had been made without mentioning the location and site of the work in the measurement book.

The Department explained that the site/location had been depicted in page-119 of the M.B. No. 184/6872. Audit had verified the same.

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

**25. Para No.25 Page 23 of Audit Report for the year 1998-99;  
Overpayment of Rs.73,500/-.**

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**3.10.2003** The Administrative Secretary stated before the Committee that he was not satisfied with the explanations given by the Department in the working papers. He said that the para could not be defended and prima facie the concerned Engineers and Divisional Accounts Officer was responsible for the irregularities pointed out by the Audit in the audit para. He assured the Committee that he would take action against the officers/officials of his department involved in these paras. Similar action should also be taken against the Divisional Accounts Officer concerned involved in the para by the Director General Accounts Works, Punjab.

The Committee directed that the concerned Engineer and Divisional Accounts Officer should be proceeded against under the Removal from Service (Special Powers) Ordinance, 2000 by their respective competent authority.

With the above direction, para was kept pending.

**14.12.2004** The Department explained that Ch. Muhammad Rafique, Director Administration office of Chief Engineer Punjab Projects Department, Lahore was appointed to probe into the matter pertaining to subject paras and fix responsibility for the lapse. The report thereon was awaited.

**The para was kept pending till completion of inquiry proceeding.**

**26. Para No.26 Pages 23 & 24 of Audit Report for the year 1998-99;  
Overpayment of Rs.72,451/-.**

---

**2.12.2003** The Audit had pointed out that the Weather Shield was paid for 2/3 coats on an old surface instead of one coat.

The Department explained that all the work had been executed on the residences of Honorable Judges of the Lahore High Court, Lahore. The work had been done on old surface, in view of the condition of the Buildings where more than one coat was necessary.

The Committee accepted the explanation of the Department.

**The para was settled.**

**27.            Para No.27 Page 24 of Audit Report for the year 1998-99;  
Overpayment of Rs.70,718/-.**

---

**2.12.2003**    The Department explained that the foundation was excavated upto depth of 6.00 ft below NS level on recommendation of Buildings Research Station Lahore. During excavation debries/filled material not suitable for filling under floor was found. This debries/filled under floor was transported out side Municipal area at a distance of 7 miles and accordingly 7 miles lead was provided in the revised estimate and submitted to the Chief Engineer (NZ) Buildings Department for according revised TS. The CE however, reduced the provision of 7 miles to 4-1/2 miles. Payment was initially made upto 7.00 miles but on approval of 4.5 miles by the competent authority the payment was accordingly adjusted in the running bill.

The Committee accepted the contention of the Department and the **para was settled.**

**28.            Para No.28 Page 25 of Audit Report for the year 1998-99;  
Overpayment of Rs.62,667/-.**

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**2.10.2003**    Audit had pointed out that due to application of incorrect rate of an item, an overpayment of Rs.62,667/- was made to a contractor.

The Department explained that actual recovery of Rs.61,220/- had accordingly been adjusted in the subsequent/final bills of the contractor.

The Department was directed to get the record verified by the Audit by the next day.

On 3-10 2003, Audit stated in the meeting that the record had been verified and the **para was settled by the Committee accordingly.**

**29.            Para No.29 Pages 25 & 26 of Audit Report for the year 1998-99;  
Overpayment of Rs.50,809/-.**

---

**2.12.2003**    The Audit had pointed out that the Department paid excess quantity of earth work and had also applied incorrect rate of RCC.

The Department explained that the total recovery had been effected and verified by the Audit.

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

**30. Para No.30 Page 26 of Audit Report for the year 1998-99;  
Overpayment of Rs.43,135/-.**

---

**3.10.2003** Audit had observed that an overpayment of Rs.43,135/- was made for quantity of 17370/-Cft earth brought from outside the lead of 10 miles without record entry in measurement book.

The Department stated that the record entry for 10 miles lead existed at page 72 of MB No.288/1932 wherein a quantity of 17370/-Cft earth under floors had been measured / recorded.

The Department further explained that the lead of 10 miles was covered in administrative approval as well as in the revised technical sanction.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004** The Department explained that as per directions of PAC, relevant record had been produced to Audit for verification.

Audit stated in the meeting that facts had been verified.

The **para was accordingly settled.**

**31. Para No.31 Page 27 of Audit Report for the year 1998-99;  
Overpayment of Rs.323,862/-.**

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**11.8.2004** The department explained that variations had been incorporated in the revised technically sanctioned estimate which could be verified by Audit. The department, however, admitted that the revised technical sanction was issued after finalization of last bill.

Finance Department observed that if the revised technical sanction was issued after the last payment of the bill, then the same needed regularization /ex post facto sanction by the Finance Department and suggested that the department should also take disciplinary action for the lapse.

The Committee directed that the department should take disciplinary action against the officer responsible for the lapse and then refer the case to Finance Department for ex post facto sanction under intimation to PAC.

The para was kept pending

**15.12.2004** The Department explained that disciplinary actions against the officials/officers responsible for lapse regarding finalization of contract prior to revised TS, had been initiated and a case for ex-post facto sanction had also been referred to the Finance Department.

The para was kept pending for necessary action by the Department.

**32.            Para No.32 Pages 27 & 28 of Audit Report for the year 1998-99; Overpayment of Rs.143,585/-.**

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**2.10.2003** Audit had observed that an amount of Rs.143,585/- was paid in excess of Technical Sanctioned Estimates agreement.

The Department admitted during the meeting that the Audit observation was correct and the Engineers concerned and the Divisional Accounts Officer were responsible for the overpayment.

The Committee directed that the disciplinary action under the Punjab Removal from Service (Special Powers) Ordinance 2000 should be taken against the concerned Engineers and Divisional Accounts Officer by their respective competent authorities.

The para was kept pending.

**14.12.2004** The Department explained that as per decision of PAC dated 3.10.2003 disciplinary action against the responsible officers was under process. However, Audit contended that recovery had not been effected so far.

The para was kept pending for departmental action at the earliest.

**33.            Para No.33 Page 28 of Audit Report for the year 1998-99; Excess payment of Rs.52,583/-.**

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**3.12.2003** The Audit informed the Committee that the actual amount of Rs.50,430/- had been recovered and verified by the Audit.

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

**34. Para No.34 Pages 28 & 29 of Audit Report for the year 1998-99;  
Overpayment of Rs.43,342/-.**

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**15.12.2004** The Department explained that para comprised two Advance Paras. In case of AP No.1016/10 payment related to the upgradation of Primary School at Chak No.601/GB & 610/GB and 2" thick floor which actually laid and paid to the contractor, 1-1/2 thick marble strip had been laid to divide the floors into panels of 2" thick floor leaving thick space below the strip for mortar screed. In case of AP No.1025/19, tender for the work were called through newspapers and item rates were quoted by the contractor. The overall cost of the work did not exceed the sanctioned provisions. As such no loss had occurred.

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

**35. Para No.35 Page 29 of Audit Report for the year 1998-99;  
Overpayment of Rs.242,598/-.**

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**3.12.2003** The Audit had pointed out over payment of Rs.242,598/- due to acceptance of tenders beyond permissible limit of 4.5%.

The Audit informed the Committee that all the record had been verified and recommended the para for settlement. On the recommendation of Audit, the **para was settled.**

**36. Para No.36 Page 30 of Audit Report for the year 1998-99;  
Overpayment of Rs.575,567/-.**

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**2.10.2003** Audit had observed that an overpayment of Rs.575,567/- was made on various items of work in excess of those provided in the technically sanctioned estimate without approval of the competent authority.

The Department explained that the excess quantities as pointed out by the audit had been covered in the revised T.S estimate sanctioned by the Chief Engineer, Buildings Department, Lahore No.995-Dev/82/254/D(4) dated 10.6.2000 on the basis of revision of drawing/design issued by Chief Architect on 13.5.1998.

The Committee directed that the record be got verified by Audit by next day.

On 3-10-2003, Audit stated in the meeting that the record had been verified and the **para was settled** by the Committee accordingly.



**37. Para No.37 Pages 30 & 31 of Audit Report for the year 1998-99;  
Overpayment of Rs.46,649/-.**

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**15.12.2004** The Department explained that the para comprised three parts:-

- i) The surplus earth involved in Audit observations related to the excavation of earth for collecting tank which was situated in low lying areas and surplus earth was spread around the collecting tank to save the structure. As such the surplus earth was not deducted as it was utilized under floors.
- ii) The earth filling paid included the excavation of boundary walls and earth excavated from boundary walls had been used outside as safety measure which was in accordance with TS estimate whereas in case of deduction of opening windows from masonry work, the rubbing/polishing was admissible according to TS estimate sanctioned by the competent authority and also provided rubbing of grit; and
- iii) The measurement and payment of compacted earth had been made and 10% shrinkage was not recoverable.

The Committee accepted the departmental contention and the **para was settled.**

**38. Para No.38 Page 31 of Audit Report for the year 1998-99;  
Overpayment of Rs.62,848/-.**

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**11.8.2004** The department explained that the para consisted of 2 advance paras. Referring to AP No.1161 involving Rs.21,782/-, the department stated that necessary provisions existed in the revised technically sanctioned estimate and that the record had already been verified by the audit. As for advance para No.1147, the department contended that there was no difference in the length of walls for pacca brick work in foundation and plinth and for pacca brick work in ground floor.

The audit verified the contention of the department in respect of advance para No.1161 but stated that the record pertaining to other advance para be produced to audit for verification.

The Committee directed the department to produce the relevant record to audit for verification.

The para was kept pending.

**15.12.2004** The Department explained that all the relevant record had been produced to Audit which had verified the same.

Audit verified the contention of the Department and recommended the para for

settlement.

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

**39. Para No.39 Page 32 of Audit Report for the year 1998-99;  
Overpayment of Rs.230,000/-.**

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**3.12.2003** The Audit informed the Committee that all the recovered amount had been verified and recommended the para for settlement. The Committee **settled the para** on the recommendation of Audit.

**40. Para No.40 Pages 32 & 33 of Audit Report for the year 1998-99;  
Overpayment of Rs.65,361/-.**

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**2.12.2003** The Department explained that the payment was made to the contractor as per actual consumption of steel which was in accordance with the structural design and the revised estimate as per the site conditions which was technically sanctioned by the Chief Engineer who was competent authority in this regard.

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

**41. Para No.41 Page 33 of Audit Report for the year 1998-99;  
Overpayment of Rs.142,666/-.**

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**11.8.2004** The department explained that since no earth was available within 500 ft lead, therefore, necessary sanction for additional lead of 3 miles was obtained from the competent authority and an amount of Rs.81,515/- was diverted to meet the expenditure of additional lead of earth work. As for the excess payment of Rs.61,152/- caused by excess quantity of earth, the department stated that the same was recovered through the 18<sup>th</sup> running bill.

During the meeting, the audit accepted the department's contention.

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

**42. Para No.42 Pages 33 & 34 of Audit Report for the year 1998-99;  
Overpayment of Rs.101,738/-.**

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**11.8.2004** The department explained that the para consisted of 3 advance paras. Referring to advance para No.172 and 174 involving Rs.34,152/75 and Rs.53,497/87 respectively, the department stated that the bills of the contractors stood finalized and security was released to them. Therefore, the department was not in a position to effect recovery in these cases. About

advance para 176, the department explained that excavation of 82 pits was made and accordingly 82 vertical girders and 78 horizontal girders were provided which could be verified from relevant record.

Finance Department observed that recovery against contractors was outstanding on account of fictitious/excessive measurements with reference to advance paras No.172 & 174. As for advance para 176, physical verification was required.

The Committee took serious notice of non production of record to audit by the department and directed that instructions be issued to all Administrative Departments for timely production of the record to audit and that audit should also give sufficient notice of the visit of their audit teams to the departments/various field formations.

In respect of the para under consideration, the Committee directed the department to hold an inquiry into the issues involved in this para in the light of the observations of the Finance Department and fix responsibility within 90 days under intimation to PAC.

The para was kept pending.

**15.12.2004** The Department explained that Rs.87,650/- had been recovered and an inquiry had been initiated in the case.

The **para was kept pending** for balance recovery and disciplinary action against the responsible persons within 60 days.

#### **43. Para No.43 Pages 34 & 35 of Audit Report for the year 1998-99; Overpayment of Rs.68,129/-.**

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**3.10.2003** Audit had observed that an overpayment of Rs.68,129/- was made on account of earth filling under floor and road embankment with earth brought from outside instead of using surplus earth available from excavation.

The Department stated that there were two parts of this para. So far as Part-1 for Rs.34,317/- was concerned, the actual over payment worked out to Rs.32,902/- had been recovered from the security deposit of the contractor. As for part-2 for Rs.33,812/- was concerned, the relevant record had been collected from the D.E.O Buildings Gujranwala and Audit had been requested to verify the record.

Part-1 of the para was settled subject to verification of recovery and part-2 was kept pending for verification of record.

**3.12.2003** The Department explained that all the recovery had been effected and deposited into the Government Treasury.

The Committee settled the para subject to verification of record by Audit.

**14.12.2004** The Department explained that as per directions of PAC, all the relevant record had been produced to Audit for verification and actual recovery had already been effected.

The para was accordingly settled.

**15.12.2004** The Department explained that total amount had been recovered and deposited into the Government treasury which had been verified by Audit.

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

**44. Para No.44 Page 35 of Audit Report for the year 1998-99;  
Overpayment of Rs.52,210/-.**

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**11.8.2004** The department stated that the para consisted of 2 advance paras. Regarding advance para 175, the department stated that in the technically sanctioned estimate accorded by the competent authority, the provision of PCC 1:2:3 was made and item was accordingly executed and paid. About advance para 177, the department contended that provision of 1:4 cement mortar was approved by the Chief Engineer in his capacity as technical head of the department.

The audit, however, stated that payment of PCC 1:2:3 instead of PCC1:2:4 was incorrect.

The department requested the Committee to pend the para so that it could further look into the matter.

The Committee directed that the department should take necessary action, examine the matter and if deemed necessary, the case be referred to the competent forum for regularization.

The para was kept pending.

**15.12.2004** The Department explained that the para consisted of Advance Paras, in case of AP No.175, the Department assured that the latest position would be presented to the Committee in the next meeting whereas in case of AP No.177, the item of cement sand mortar was included in the TS estimate sanctioned by the competent authority.

The Committee directed the Department to submit proper justification against the Audit observation in the next meeting.

The para was kept pending.

**45. Para No.45 Pages 35 & 36 of Audit Report for the year 1998-99; Overpayment of Rs.65,961/-.**

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**1.12.2003** The Audit had pointed out that the Department had wrongly included the factor of 3% income tax, while preparing/sanctioning the rate analysis of non schedule item. This resulted in over payment of Rs.65,961/-.

The Department explained that an error had been committed and 3% income tax rate was included in the item instead of 10% rate of “Sundries” admissible under the rules.

The Department further explained that this was not a non schedule item and requested to settle the para as there was no irregularity committed by the Department.

The Committee was satisfied with the explanation of Department and the para was settled.

**46. Para No.46 Page 36 of Audit Report for the year 1998-99; Overpayment of Rs.79,193/-.**

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**3.12.2003** The Department explained that all the recovery had been effected from the contractor as pointed out by the Audit and deposited into the Government Treasury.

The Audit requested the Department to show final bill and approval of the scheme by the P&D Department in support of its reply.

The Committee settled the para subject to verification of approval of the P & D and final bill by Audit.

**15.12.2004** The Department explained that the scheme had been cleared by the P&D Department on 28.1.2004 and all the relevant record had been produced to Audit for verification.

Audit verified the contention of the Department and recommended the para for settlement.

The para was according settled.

**47. Para No.47 Page 37 of Audit Report for the year 1998-99;**

### **Overpayment of Rs.59,244/-.**

**3.12.2003** The Department explained that all the recovery had been effected from the contractor as pointed out by the Audit and deposited into the Government Treasury.

The Audit requested the Department to show final bill in support of their reply.

The Committee settled the para subject to verification of the final bill by Audit.

**15.12.2004** The Department explained that the recovery and final bill had been verified/ seen by Audit.

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

### **48. Para No.48 Pages 37 & 38 of Audit Report for the year 1998-99; Overpayment of Rs.164,577/-.**

**3.10.2003** Audit had pointed out that an overpayment of Rs.164,577/- was made for 2-coats of emulsion paint/distemper on old surface instead of 1-coat against the provision of PW-specifications.

The Department explained that there was no prohibition in the rules for applying two coats on old surface. As per nature of the buildings, the applying of two coats on the buildings in question were essential from the engineering point of view.

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

### **49. Para No.49 Page 38 of Audit Report for the year 1998-99; Overpayment of Rs.105,424/-.**

**1.12.2003** The para was identical to para No.9 and the Committee kept the para pended with the direction that the Department to get clarification from the Standing Rates Committee before its next meeting.

**14.12.2004** The Department explained that as per directions of PAC, the matter had been referred to Standing Rate Committee which was dissolved and the item rates were to be approved by the Superintending Engineer.

The Committee accepted the departmental explanation and **settled the para.**

### **50. Para No.50 Pages 38 & 39 of Audit Report for the year 1998-99;**



### **Overpayment of Rs.657,090/-.**

**2.12.2003** The Audit had pointed out that the Department made payment for two coats of emulsion and weather shield paint on old surface, where single coat was due.

The Department explained that the old surface was scraped /rubbed to make it smooth and uniform after finishing and to meet with the hygienic requirements of Hospital Building. The surface was prepared according to the requirement of the site for which application of 2 coats was necessary.

The Committee agreed with the departmental contention.

The para was settled.

### **51. Para No.51 Page 39 of Audit Report for the year 1998-99; Overpayment of Rs.99,909/- to contractor.**

**2.12.2003** The Audit had pointed out that the Department made payment for an item of work RCC 1:2:4 in basement @Rs.21.05 per cft and at ground floor @21.65 cft instead of Rs.21.05 per sft.

The Department explained that the rate paid for ground floor, Ist floor and 2<sup>nd</sup> floor were correctly paid and no over payment was involved.

The Audit verified the reply of the Department and recommended the para for settlement.

The para was settled.

### **52. Para No.52 Page 40 of Audit Report for the year 1998-99; Overpayment of Rs.84,860/-.**

**2.12.2003** The Audit had pointed out that the Department allowed premium 4.5% to the Contractor on CSR 1998 for which no notification had been circulated by Finance Department.

The Department explained that the premium of 4.5% above CSR was fully covered under Sr No.2(ii) Page 47 of Delegation of Financial Power Rule 1990.

The Audit accepted the explanation of the Department and recommended the para for

settlement.

The para was settled.

**53. Para No.53 Pages 40 & 41 of Audit Report for the year 1998-99;  
Overpayment of Rs.85,705/-.**

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**2.12.2003** The Audit had pointed out that the Department paid the item of RCC 1: ½: 3 for retaining wall and core wall @ Rs.22.65 cft instead of Rs.17/65 per cft as this nature of work did not require horizontal shuttering.

The Department explained that the clarification had been made by the Standing Rates Committee and the item had been provided in the revised technically sanctioned estimate. The clarification letter was shown to the Audit and the Audit recommended the para for settlement.

The Committee settled the para.

**54. Para No.54 Page 41 of Audit Report for the year 1998-99;  
Overpayment of Rs.147,546/-.**

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**3.12.2003** The Department explained that two/three coats of weather shield paint on the surface of the buildings were made according to the provisions of the estimate technically sanctioned by the Superintending Engineer concerned.

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

**55. Para No.55 Page 42 of Audit Report for the year 1998-99;  
Overpayment of Rs.157,200/-.**

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**3.10.2003** The Administrative Secretary stated before the Committee that he was not satisfied with the explanations given by the Department in the working papers. He said that the para could not be defended and prima facie the concerned Engineers and Divisional Accounts Officer was responsible for the irregularities pointed out by the Audit in the audit para. He assured the Committee that he would take action against the officers/officials of his department involved in these paras. Similar action should also be taken against the Divisional Accounts Officer concerned involved in the para by the Director General Accounts Works, Punjab.

The Committee directed that the concerned Engineer and Divisional Accounts

Officer should be proceeded against under the Removal from Service (Special Powers) Ordinance, 2000 by their respective competent authority.

With the above direction, para was kept pending.

**14.12.2004** The Department explained that Ch. Muhammad Rafique, Director Administration office of Chief Engineer Punjab Projects Department, Lahore was appointed to probe into the matter pertaining to subject paras and fix responsibility for the lapse. The report thereon was awaited.

The para was kept pending till completion of inquiry proceeding.

**56. Para No.56 Pages 42 & 43 of Audit Report for the year 1998-99; Overpayment of Rs.43,938/-.**

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**11.8.2004** The department explained that due to increase in quantity, the second revised estimate was prepared which was within permissible limit of 5% and therefore the revised technical sanction was not required in this case as per rules. The department further stated that the requisite recovery of income tax from the contractor had also been made.

The Committee accepted the reply of the department and settled the para.

**57. Para No.57 Pages 43 & 44 of Audit Report for the year 1998-99; Overpayment of Rs.136,690/-.**

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**11.8.2004** The department explained that as per the provisions of para 2.110 of B&R Code, the second revised technical sanction was not required because the total amount fell within the limit of 5% of the already sanctioned detailed estimate. The department added that in these cases Para 5.19 of B&R Code was not applicable.

The audit did not agree with the view point of the department and stated that concurrence of Finance Department was necessary in the light of the provisions of Para 5.19 of B&R Code.

Finance Department observed that on second revision of the estimate, its concurrence was required. However, this was a policy issue which needed further examination and interpretation in the light of the relevant provisions of the B&R Code.

The Committee directed that the department should refer the matter to the Finance

Department for interpretation/advice in consultation with the Law Department.

The para was kept pending.

**15.12.2004** The Department explained that a case for regularization of the expenditure had been referred to the Finance Department which was still under process.

The para was kept pending.

**58. Para No.58 Page 44 of Audit Report for the year 1998-99;  
Overpayment of Rs.49,655/-.**

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**11.8.2004** The department explained that necessary recovery stood effected vide page 64 of MB No.3416 and that the rate of PVC pipe had also been corrected in the final bill vide page 64 of MB No.3416. The department added that the record had already been produced to audit for verification on 29-7-2004. The department added that necessary recovery had since been made.

The Committee accepted the explanation of the department and **settled the para.**

**59. Para No.59 Page 45 of Audit Report for the year 1998-99;  
Overpayment of Rs.58,516/-.**

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**11.8.2004** The department explained that as per the provisions of para 2.110 of B&R Code, the second revised technical sanction was not required because the total amount fell within the limit of 5% of the already sanctioned detailed estimate. The department added that in these cases Para 5.19 of B&R Code was not applicable.

The audit did not agree with the view point of the department and stated that concurrence of Finance Department was necessary in the light of the provisions of Para 5.19 of B&R Code.

Finance Department observed that on second revision of the estimate, its concurrence was required. However, this was a policy issue which needed further examination and interpretation in the light of the relevant provisions of the B&R Code.

The Committee directed that the department should refer the matter to the Finance Department for interpretation/advice in consultation with the Law Department.

The para was kept pending.

**15.12.2004** The Department explained that a case for regularization of the expenditure had been referred to the Finance Department which was still under process.

The para was kept pending.

**60. Para No.60 Pages 45 & 46 of Audit Report for the year 1998-99; Overpayment of Rs.141,930/-.**

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**11.8.2004** The department explained that as per the provisions of para 2.110 of B&R Code, the second revised technical sanction was not required because the total amount fell within the limit of 5% of the already sanctioned detailed estimate. The department added that in these cases Para 5.19 of B&R Code was not applicable.

The audit did not agree with the view point of the department and stated that concurrence of Finance Department was necessary in the light of the provisions of Para 5.19 of B&R Code.

Finance Department observed that on second revision of the estimate, its concurrence was required. However, this was a policy issue which needed further examination and interpretation in the light of the relevant provisions of the B&R Code.

The Committee directed that the department should refer the matter to the Finance Department for interpretation/advice in consultation with the Law Department.

The para was kept pending.

**15.12.2004** The Department explained that a case for regularization of the expenditure had been referred to the Finance Department which was still under process.

The para was kept pending.

**61. Para No.61 Page 46 of Audit Report for the year 1998-99; Overpayment of Rs.139,292/-.**

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**3.10.2003** Audit had observed that an overpayment of Rs.139,215/- was made while measuring and paying of "Weather Shield" emulsion and distemper by allowing 2 coats on old surface in contravention of the provision of schedule of rates 1979.

The Department explained that the specifications as well as CSR did not prohibit to do the 2 coats over an important building. This work was carried out on District Courts Buildings, Tehsil Buildings and Lahore High Court which were situated on a very dusty and traffic busy road and 2 coats were in-evitable by Engineering point of view.

The Committee accepted the explanation of the department and the para was

settled.

**11.8.2004** The Secretary to the Committee pointed out that this para had already been settled in PAC-I meeting held on 3.10.2003.

**The Committee disposed of the para accordingly.**

**62. Para No.62 Page 47 of Audit Report for the year 1998-99; Irregular/unauthorized payment of Rs.376,780/-.**

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**3.10.2003** Audit had observed that an irregular/unauthorized payment of Rs.376,780/- was made while executing various non-schedule items without their approval and provision in DNIT/Agreement and technical sanction.

The Department explained that the audit objection in this para related to four items. One item had already been provided in the DNIT/agreement. The rates of other three items which were essential had been sanctioned by the S.E. being the competent authority. Moreover, all the items had been covered in the revised technical sanction given by the Chief Engineer. The revised T.S was also within permissible limit.

The Committee settled the para subject to verification of record by Audit.

**14.12.2004** The Department explained that as per directions of PAC dated 1-3 October 2003, all the relevant record had been produced to Audit for verification and the facts had been verified by Audit.

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

**63. Para No.63 Pages 47 & 48 of Audit Report for the year 1998-99; Overpayment of Rs.711,954/-.**

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**3.10.2003** Audit had observed that an over payment of Rs.711,954/- was made while analyzing rates for Steel included incorrectly 5% Sundry charges in addition to cleaning, cutting, bending, binding and wastage.

The Department stated that the Steel used in the work “Construction of CPO Complex, Lahore” was of grade-60. Consequently this item had to be treated as non schedule



item. The Department also contended that it was item rate not schedule rate.

The Finance Department supported the contention of the Administrative Department.

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

**64. Para No.64 Page 48 of Audit Report for the year 1998-99;  
Overpayment of Rs.139,050/-.**

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**2.10.2003** Audit had pointed out that an excess payment of Rs.139,050/- was made for the item of C.I Pipe @Rs.800 instead of Rs.285 per Rft.

The Department admitted that the Audit observation was correct. The actual overpayment of Rs.146,175/- made to the contractor erroneously had been recovered from the contractor in the subsequent and final bills.

The Department further explained that the concerned engineers as well as the Divisional Accounts Officer were equally responsible for this overpayment.

The Committee directed that the recovery should be got verified by Audit and action under the Punjab Removal from Service (Special Powers) Ordinance 2000 should be taken against the concerned Engineers and the Divisional Accounts Officers by their respective competent authorities.

The para was kept pending.

**14.12.2004** The Department explained that as per directions of PAC dated 2.10.2003, total recovery had been effected and verified by Audit.

The para was accordingly settled.

**65. Para No.65 Page 49 of Audit Report for the year 1998-99;  
Overpayment of Rs.54,906/-.**

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**2.10.2003** Audit had observed that an overpayment of Rs.54,906/- was made on excessive quantity of doors due to non deduction of thickness of Chowkats in two cases.

The Department admitted during the meeting that Audit observation was correct and the recovery had been effected accordingly. The Department further stated that the concerned Engineers and Divisional Accounts Officer were responsible for overpayment.

The Committee directed that the recovery should be got verified by Audit. The Committee further directed that disciplinary action should be taken against the concerned Engineers and Divisional Accounts Officer under the Punjab Removal from Service (Special Powers) Ordinance 2000 by their respective competent authorities.

The para was kept pending.

**14.12.2004** The Department explained that excess payment on account of RCC rate had been recovered in the final bill of the contractor whereas the adjustment of excess payment on account of non-deduction of chowkat thickness had been made in the relevant MB and bill of the contractor.

Audit stated that facts had been verified.

The para was accordingly settled.

**66. Para No.66 Pages 49 & 50 of Audit Report for the year 1998-99; Overpayment of Rs.63,936/-.**

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**3.10.2003** Audit had observed that an item of work in excess of provision had been executed which resulted into excess payment of Rs.63,936/-.

The Department explained that inspite of excess of certain items over the provisions of the sanctioned estimate, the work had been completed with saving.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004** The Department explained that although there was excess in certain items over provisions of sanctioned estimate, however, the overall work was completed with saving.

Audit contended that revised TS was required in the matter.

The para was conditionally settled subject to revised technical sanction by the competent authority.

**67. Para No.67 Page 50 of Audit Report for the year 1998-99; Overpayment of Rs.300,042/-.**

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**15.12.2004** Audit had pointed out that payment of lead without existence in the technically sanctioned estimate resulted in excess payment to the Contractor.

The Department explained that as per site requirements, extra earth from outside five miles lead was included in the revised TS estimate approved by the competent authority which

also existed in the lead chart. The payment was made in accordance with the revised TS estimate. As such no excess payment was involved.

The Committee **settled the para subject to verification of relevant record by Audit.**

**68. Para No.68 Page 51 of Audit Report for the year 1998-99;  
Overpayment of Rs.204,274/-.**

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**15.12.2004** Audit had pointed out that the Department paid certain items in excess of the provisions of estimate.

The Department explained that the building in question was originally proposed to be constructed on first floor of the old building. Later the building was constructed on different site and revised estimate was sanctioned by the competent authority.

The Committee accepted the departmental contention and the **para was settled.**

**69. Para No.69 Pages 51 & 52 of Audit Report for the year 1998-99;  
Overpayment of Rs.67,640/-.**

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**2.12.2003** The Department explained that quantity was within the permissible limit of TS estimate. There was no overpayment involved.

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

**70. Para No.70 Page 52 of Audit Report for the year 1998-99;  
Overpayment of Rs.583,932/-.**

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**2.12.2003** The Department explained that the variation in quantities of certain items were made as per site condition and requirement of the client department. These quantities were provided in the revised estimate technically sanctioned by the competent authority.

The Audit contended that the excess payment need regularization by the Finance Department.

The Committee settled the para subject to regularization of expenditure by the Finance Department.

**14.12.2004** The Department explained that as per directions of the PAC, the matter had been referred to the Finance Department for regularization vide Secretary C&W letter dated

29.11.2004.

The Committee settled the para subject to regularization by the Finance Department.

**71.            Para No.71 Page 53 of Audit Report for the year 1998-99; Non-accountal/consumption of fans Rs.2,014,254 and non recovery of Rs.963,900/-.**

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**11.8.2004**      The department explained that ceiling fans as pointed in the audit observation were purchased strictly according to the requirements and the supply already stood completed. As a result of disciplinary proceedings initiated against the officers/officials who were found responsible for making advance payment to the firm without taking prompt delivery of the ceiling fans, two officials were exonerated where as penalty of withholding of increments for 2 years was imposed on 3 officers.

On the recommendation of audit, the para was settled.

**72.            Para No.72 Page 54 of Audit Report for the year 1998-99; Unauthorized payment of Rs.3,868,960/-.**

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**2.12.2003**      The Department explained that the para pertained to the defunct Education Buildings Division Gujranwala and letter had been written to the formations for provision of record for verification by the Audit.

The Committee kept the para pending and directed the Department that the record be got verified by the Audit before the next meeting.

**14.12.2004**      The Department explained that record pertaining to consumption of 382 fans had been produced to Audit for verification and rest of the record was lying with District Government.

The Committee directed the Department to request the concerned quarters with reference to PAC directions to attend the next meeting of PAC along with all the relevant record.

The para was kept pending.

**73.            Para No.73 Pages 54 & 55 of Audit Report for the year 1998-99; Non-accountal of ceiling fans costing of Rs.932,670/-.**

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**2.12.2003** The Audit informed the Committee that the record had been verified and recommended the para for settlement.

The **para was settled.**

**74.            Para No.74 Page 55 of Audit Report for the year 1998-99; Non-accountal of fans Rs.785,670/-.**

**15.12.2004** Audit had pointed out that record pertaining to installations/consumption of 615 Nos of ceiling fans was not produced.

The Department explained that all 624 ceiling fans purchased by it were provided to different institutions and duly received by the client departments.

Audit stated that facts had been verified.

The **para was accordingly settled.**

**75.            Para No.75 Page 56 of Audit Report for the year 1998-99; Superfluous expenditure of Rs.129,500/-.**

**2.12.2003** The Department explained that the item of weather shield paint was executed as per site requirement. The SE agreed to this provision and the revised technical sanction was issued by the Chief Engineer. The payment was made after execution of the work.

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

**76.            Para No.76 Pages 56 & 57 of Audit Report for the year 1998-99; Unjustified payment of Rs.3,286,500/-.**

**3.10.2003** Audit had observed that an unjustified payment of Rs.32,86,500/- was made on account of non-schedule items without preparation of rate analysis and its approval by the competent authority.

The Department explained that para 4 (ii) of preface of CSR 1998 stated that the rates for items other than those given in the schedule and item rates depicted in the DNIT shall be treated as non schedule and no separate approval of item rates was required for the work falling under the competency of SE/CE.

As the DNIT for the work was approved by the Chief Engineer Buildings (North), there was no necessity of separate approval of rates analysis.

The Committee accepted the explanation of the Department and settled the para subject to verification of record by the Audit.

**14.12.2004** The Department explained that as per decision of PAC dated 2.10.2003 relevant record pertaining to approval of the competent authority etc. had been produced to Audit for verification.

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

**77. Para No.77 Pages 57 & 58 of Audit Report for the year 1998-99; Unauthorized/irregular payment of Rs.95,780/-.**

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**3.10.2003** Audit had pointed out that payment of Rs.95,780/- had been made on temporary illumination on Independence Day 14 August, 1996 from the budget of 1997-98 instead of 1996-97.

The Department explained that the payment had been delayed due to non-availability of funds at the appropriate level.

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

**78. Para No.78 Page 58 of Audit Report for the year 1998-99; Irregular expenditure of Rs.468,438/-.**

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**3.10.2003** The Department explained that this expenditure was incurred on the illumination of CM House as well as Ministers residences in GOR-I on the Independence Day in the best national interest. The Department further explained that a part of the expenditure in question related to the repair of two tennis courts had been made with the approval of the competent authority and no splitting of the expenditure was involved.

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

**79. Para No.79 Pages 58 & 59 of Audit Report for the year 1998-99; Excessive deduction of security deposit Rs.151,157/-.**

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**3.10.2003** Audit had pointed out that security deposit @30% was deducted from the contractors instead of 10% in violation of the agreement.

The Department explained that the excessive security was deducted as the executed work was done at the end of financial year i.e. on 27.6.1998 and could not be fully inspected on time due to rush of work. However, after final inspection and satisfaction, the excessive recovery was refunded to the contractors.

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

**80. Para No.80 Pages 59 & 60 of Audit Report for the year 1998-99; Unauthorized expenditure of Rs.625,554/-.**

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**3.10.2003** The Administrative Secretary stated before the Committee that he was not satisfied with the explanations given by the Department in the working papers. He said that the para could not be defended and prima facie the concerned Engineers and Divisional Accounts Officer was responsible for the irregularities pointed out by the Audit in the audit para. He assured the Committee that he would take action against the officers/officials of his department involved in these paras. Similar action should also be taken against the Divisional Accounts Officer concerned involved in the para by the Director General Accounts Works, Punjab.

The Committee directed that the concerned Engineer and Divisional Accounts Officer should be proceeded against under the Removal from Service (Special Powers) Ordinance, 2000 by their respective competent authority.

With the above direction, para was kept pending.

**14.12.2004** The Department explained that Ch. Muhammad Rafique, Director Administration office of Chief Engineer Punjab Projects Department, Lahore was appointed to probe into the matter pertaining to subject paras and fix responsibility for the lapse. The report thereon was awaited.

**The para was kept pending till completion of inquiry proceeding.**

**81. Para No.81 Page 60 of Audit Report for the year 1998-99; Unauthorized payment of Rs.324,751/-.**

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**3.10.2003** The Administrative Secretary stated before the Committee that he was not satisfied with the explanations given by the Department in the working papers. He said that the

para could not be defended and prima facie the concerned Engineers and Divisional Accounts Officer was responsible for the irregularities pointed out by the Audit in the audit para. He assured the Committee that he would take action against the officers/officials of his department involved in these paras. Similar action should also be taken against the Divisional Accounts Officer concerned involved in the para by the Director General Accounts Works, Punjab.

The Committee directed that the concerned Engineer and Divisional Accounts Officer should be proceeded against under the Removal from Service (Special Powers) Ordinance, 2000 by their respective competent authority.

With the above direction, para was kept pending.

**14.12.2004** The Department explained that Ch. Muhammad Rafique, Director Administration office of Chief Engineer Punjab Projects Department, Lahore was appointed to probe into the matter pertaining to subject paras and fix responsibility for the lapse. The report thereon was awaited.

**The para was kept pending till completion of inquiry proceeding.**

**82. Para No.82 Page 61 of Audit Report for the year 1998-99;  
Unauthorized expenditure of Rs.12,436,000/-.**

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**3.10.2003** Audit had pointed out that as against the technically sanctioned estimate of Rs.36,778,000/-, the department had incurred an expenditure of Rs.50,869,091/- i.e. 38.31% in excess of the sanctioned amount.

The Department explained that the overall scheme had been revised for Rs.75,222,000/- and the expenditure was within the administrative approval and revised technical sanction based on revised architectural and structural drawings.

The Committee settled the para subject to verification of record by Audit.

**14.12.2004** The Department explained that the requisite record had been produced to Audit for verification, however, Audit contented that ex-post facto sanction was required in the matter. The Department requested that some time be granted to look into the matter.

On request of the Department, the **para was kept pending.**

**83. Para No.83 Pages 61 & 62 of Audit Report for the year 1998-99;  
Excess payment to contractor for Rs.836,304/-.**

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**2.12.2003** The Audit had pointed out that the Department measured and paid 5502 Rft boundary safety grill against executed trench of 281 Rft which was not logical.

The Department explained that the para was included as Draft Para No.26 at Page 32 in Audit Report for the year 1997-98. It was discussed in the PAC meeting 21-23 January 2002 and was settled.

The Audit verified that the para 83 of Audit Report for the year 1998-99 was duplication of Draft para No.26 of the Audit Report for the year 1998-99 which had been settled by the Ad-hoc PAC.

**The para was settled.**

**84. Para No.84 Page 62 of Audit Report for the year 1998-99; Irregular/unjustified payment of Rs.862,478/-.**

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**11.8.2004** The department explained that 800 fans were purchased out of which 651 fans had been fixed in different government buildings whereas 149 fans purchased for Government Girls Degree College, Phalia had not so far been handed over which were available and would be installed at the time of the handing over of the building.

Audit observed that complete record about installation of fans and handing/taking over of the buildings had not been produced.

Finance Department observed that physical verification regarding installation of fans was required and that the rate contract in respect of the purchase of the fans should also be seen.

After detailed deliberations, the Committee directed that the Administrative Secretary should make a probe into this matter i.e. physical verification of the fans and rate contract and furnish report to the PAC within 5 days.

The para was kept pending.

**15.12.2004** The Department explained that as per directions of PAC dated 6.8.2004, fact finding inquiry had been conducted into the matter which was under consideration of the Administrative Secretary.

**The para was kept pending.**

**85. Para No.85 Page 63 of Audit Report for the year 1998-99;**

## **Unjustified/irregular payment of Rs.6,466,140/-.**

**11.8.2004** The department explained that the relevant record was received from Education Building Division, Lahore after its abolition and efforts were being made to obtain explanation of the then Executive Engineer and Divisional Accounts Officer to justify excess expenditure over deposit. The department further stated that the work was executed by Education Building Division and the security of different contractors was used for payment to other contractors.

The Committee observed that an irregularity had been committed in this case and directed that the department should hold an inquiry into the matter and fix responsibility within 90 days under intimation to PAC.

The para was kept pending.

**15.12.2004** The Department explained that SE Provincial Buildings Circle had conducted an inquiry into the matter and the report had been submitted to the competent authority on 14.12.2004.

**The para was kept pending till the decision of competent authority on inquiry report.**

### **86. Para No.86 Pages 63 & 64 of Audit Report for the year 1998-99; Loss of Rs.323,576/- due to below specification work.**

**2.10.2003** Audit had observed that a loss of Rs.323,576/- was made due to execution of work below specifications.

The Department explained that audit para was based on the observation made by the Chief Engineer in his inspection report dated 2-11-1998 and the observation was promptly complied with by the Engineer Incharge.

The Committee discussed and **settled the para.**

### **87. Para No.87 Page 64 of Audit Report for the year 1998-99; Loss due to higher rates Rs.66,081/-.**

**2.12.2003** The Audit had pointed out that the Department accepted a bid at 5.90% above the technical sanction estimate.

The Department explained that the contingency of Rs.66,500/- was utilized towards

the work which was within permissible limit.

The Audit, however, contended that the matter should be got regularized from the Finance Department.

The Committee settled the para with the direction that the amount be regularized by the Finance Department.

**14.12.2004** The Department explained that as per directions of PAC, a case for regularization of the expenditure had been referred to the competent authority and after codal formalities it was referred to Finance Department.

**The para was conditionally settled subject to regularization by the Finance Department.**

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**88. Para No.88 Page 65 of Audit Report for the year 1998-99; Loss of Rs.69,300/- due to less deduction of cost of old material.**

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**3.10.2003** The Department explained that the Audit observation was not correct. The actual recovery of old material had been made as per departmental calculation which were correct.

The Committee settled the para subject to verification of record by Audit.

**14.12.2004** The Department explained that actual recovery had been effected and TS estimate, DNIT, Bit Schedule etc. had been verified by Audit.

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

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**89. Para No.89 Pages 65 & 66 of Audit Report for the year 1998-99; Infructious expenditure of Rs.162,903/- due to negligence of the officials.**

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**11.8.2004** The department explained that construction work on the plot allotted to the Education Department by LDA was started on 14-2-1995 which had to be suspended in the wake of protest launched by the inhabitants of the locality against the construction of the school and the stay orders granted by the courts. The scheme remained unfunded in 1996-97 as well as in subsequent years, therefore, it could not be got completed at the rates offered by the contractor. In these circumstances, the competent authority allowed to finalize the contract. Therefore, there was no fault on the part of the department in this regard.

The Committee observed that the scheme could not be completed due to the

protest launched by the inhabitants of the concerned locality. The Committee accepted the explanation of the department and **settled the para.**

**90. Para No.90 Pages 66 & 67 of Audit Report for the year 1998-99;  
Loss of Rs.496,054/-.**

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**3.10.2003** Audit had pointed out that due to non payment of electricity bills on due dates, department had to pay 10% surcharge which resulted into loss of Rs.496,054/-.

The Department explained that surcharge was paid under unavoidable circumstances because funds were not available for payment within due date. The amount of surcharge paid was only Rs.70,000/-.

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

**91. Para No.91 Page 67 of Audit Report for the year 1998-99;  
Unauthorized payment of Rs.488,834/- due to enhancement of  
agreement.**

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**1.12.2003** As the para was identical to para No.4 and the Committee gave the same direction as on para No.4 and the para was kept pending.

On 3-12-2003 Audit had explained that all the record had been verified and recommended the para for settlement.

The **para was settled.**

**92. Para No.92 Page 68 of Audit Report for the year 1998-99;  
Unjustified/excess payment of Rs.218,697/-.**

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**11.8.2004** The department explained that two coats of distemper on old surface were unavoidable for change of colours and other reasons.

Audit observed that it had already verified the contention of the department in respect of advance para No.1143 and the draft para was reduced to Rs.93,951/-. However, the department should justify its contention in respect of remaining advance paras because relevant record had not been produced to it.

The Committee directed the department to produce the record to Audit for verification.



The para was kept pending.

**15.12.2004** The Department explained that as a result of verification of record, para had been reduced to Rs.93,951/- and efforts were being made for balance recovery.

The para was kept pending.

**93. Para No.93 Page 68 of Audit Report for the year 1998-99; Undue financial aid of Rs.620,263/-.**

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**15.12.2004** Audit had pointed out that the Department allowed secured advance to the contractor in excess of the bona fide use of the material in the next three months. The Audit was of the view that undue benefit was provided just to avoid the lapse of funds in the month of June.

The Department stated that work was awarded to a contractor M/S Abdul Aziz with a time limit of 12 months. Secured advance of Rs.620,263/- was paid to him in 1<sup>st</sup> running bill on 27.6.1997. Then in June, the remaining funds of the project were lapsed. Thereafter, the work remained unfunded from 1.7.1997 to 4.2.1999. On receipt of funds and consumption of the material secured advance was recovered from the contractor vide running bill dated 29.6.1999.

The Committee accepted the explanation of the department and **settled the para** with the observation that funds should be provided by the Finance Department for the completion of the unfunded project and the building be completed within six months.

**94. Para No.94 Page 69 of Audit Report for the year 1998-99; Non imposition of penalty worth Rs.1,517,174/-.**

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**15.12.2004** Audit had pointed out that contractor failed to complete their works within stipulated time period.

The Department explained that para comprised three parts:-

- i) funds were received for construction of class rooms and work was allotted to the contractor on 20.6.1997 and first running bill was paid to him. However, balance deposit was not entertained by District Accounts Office due to lapse of funds. Higher authorities were approached for revalidation of the balance deposit but the work could not be completed due to lack of funds.
- ii) Work was delayed due to late shifting of electric poles by WAPDA which was beyond control of the contractor and penalty against him was not justified; and
- iii) The funds for upgradation of boys Primary School Chak No.610/GB were utilized within the stipulated time period and no extension in time was granted.

The Committee accepted the explanation of the Department and **settled the para** with the observation that Government should provide funds for completion of unfunded schemes.

**95.            Para No.95 Pages 69 & 70 of Audit Report for the year 1998-99;  
Wastage of public money Rs.275,573/- due to abandonment of work.**

**3.12.2003**        The Department explained that the buildings of the girls primary schools could not be completed due to short funding which later on converted into unfunded schemes.

The Department further explained that as soon as the funds were received, the works would be got completed.

The Committee discussed and decided to settle the para.

The Committee directed the Department that detail of all the unfunded schemes in the province should be provided to the PAC

**15.12.2004**    The Department explained that funds had been repeatedly demanded for work involved in the Audit observation and the matter had been taken up with P&D Department for allocation of funds for unfunded schemes because the District Government was not showing any interest in the scheme.

The Committee directed that EDO (Finance & Planning) and EDO (Works), Sahiwal should appear in the next meeting along with the record pertaining to the aforesaid unfunded schemes.

**The para was kept pending.**

**96.            Para No.96 Pages 70 & 71 of Audit Report for the year 1998-99; Less  
deduction of security deposit for Rs.1,762,587/-.**

**2.10.2003**        Audit had pointed out that the department deducted security deposit @ 5% instead of 10%.

The Department explained that the draft para was comprised of two advance paras and explained as under:-

AP No.1123 Rs.250,000/-

The Department explained that this para had been settled in the DAC meeting held on 28-29/1/2000.

AP No.1129

The Department explained that the security deposit at the uniform rate of 5% was deducted as per Finance Department circular dated 28-12-1994. The revised instructions for deduction of 10% security deposit up to 50 lac and 5% beyond 50 lac was communicated by the Finance Department on 14-1-1997. In the case of the contracts awarded before 14-1-1997, the security deposit was deducted at the uniform rates of 5% while in the case of one scheme which was awarded after the said date, the revised rates of the security deposit were applied. However, in any case the security deposit was ultimately refunded to the contractor.

In view of the explanation of the Department, the Committee decided to **settle the para.**

**97.            Para No.97 Page 71 of Audit Report for the year 1998-99; Unauthorized expenditure of Rs.1,310,391/-.**

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**3.12.2003**      The Audit had pointed out an unauthorized expenditure of Rs.1,310,391/- incurred on Development Projects out of the Maintenance and Repairs Funds in violation of the budgetary discipline.

The Department explained that M & R fund was utilized to complete the development schemes which would otherwise had remained incomplete.

The Committee directed that an inquiry should be held to fix the responsibility and to take disciplinary action against the persons responsible for the irregularity including the Divisional Accountant. The Director General Accounts Works should show progress of action against the Divisional Accountant in the next meeting.

The para was kept pending.

**15.12.2004**    The Department explained that disciplinary action against the concerned officer was under process and requested for pending the para till the decision of the inquiry by the competent authority.

The **para was kept pending.**

**98.            Para No.98 Page 72 of Audit Report for the year 1998-99; Non-recovery of Rs.83,385/-.**

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**3.12.2003**      The Audit informed the Committee that all the recovered amount had been verified and recommended the para for settlement. The Committee **settled the para** on the

recommendation of Audit.

**99.            Para No.99 Pages 72 & 73 of Audit Report for the year 1998-99;  
Loss of Rs.225,327/-.**

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**15.12.2004**    Audit had pointed out that the Department did not credit the 3 years old unclaimed balances to the revenue of PW deposit.

The Department explained that amount in question had been adjusted vide TE dated 25.1.2000 and was duly accounted for in the monthly account which stood verified by audit.

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

**100.           Para No.100 Page 73 of Audit Report for the year 1998-99; Loss of  
Rs.95,197/- due to higher rates.**

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**3.12.2003**        Audit had pointed out that the Department had accepted the tenders at 6.98% above the estimated amount against the admissible percentage of 4.50% as per Delegation of Financial Power Rules 1990.

The Department explained that at the particular time the Chief Engineer was authorized to revise the premium.

The Chief Engineer had exercised these powers before they were withdrawn by the Finance Department.

The Audit accepted the contention of the Department.

The **para was settled.**

**101.           Para No.101 Pages 73 & 74 of Audit Report for the year 1998-99;  
Loss of Rs.417,300/-.**

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**2.12.2003**        The Audit had observed that the Department failed to allot a work administratively approved in April 1996 till November 1996 when premium was revised and estimate had to be revised from Rs.8,250,700/- to Rs.8,668,000/- in June 1997.

The Department explained that the administrative approval for the work was accorded on 25-9-1996 and the tender for the work were called on 30-9-96, 14-10-96, 21-10-96, 11-11-96, 12-12-96, 29-12-96 & 13-1-97 but no tender was received on these dates. The premium of 260% above CSR 1979 was notified on 13-11-96 which made the rates workable.

The Department further stated that the estimates had been revised as per new premium and the technical sanction was within the permissible limit.

The FD suggested that the matter needed verification of record by the Audit.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004** The Department explained that as per directions of PAC, all the relevant record had been produced to Audit for verification and the facts had been verified by Audit.

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

**102. Para No.102 Pages 74 & 75 of Audit Report for the year 1998-99; Loss of Rs.176,233/-.**

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**3.12.2003** The Audit had pointed out that due to non-availability of funds the contractors could not complete the work. The remaining works were got completed by the Department at higher rates.

The Department explained that funds were provided after 3 years for the completion of the project. So the Department had to get the remaining works completed as per the revised rates. Therefore, the Department, after obtaining approval for the revised rates from the Chief Engineer concerned, completed the work.

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

**103. Para No.103 Page 75 of Audit Report for the year 1998-99; Loss of Rs.907,466/-.**

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**3.12.2003** The Audit had pointed out that the Department allotted works to contractor during 1984-85, 1986-87 and 1990-91 but could not complete due to non availability of funds and works remain abandoned. The works costing Rs.206,000/- were damaged and had to be reconstructed. The remaining works were got completed at higher rates. The re-allotment of works after 4 years resulted in increase of cost and damage to works executed previously.

The Department explained that funds were provided after 4 years for the completion of the project. Therefore, it was not possible for the contractors to safe guard the work for 4 years. So the department had to get the remaining works completed as per the revised rates.

Therefore, the department, after obtaining approval for the revised rates from the Chief Engineer concerned, got completed the work.

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

**104. Para No.104 Page 76 of Audit Report for the year 1998-99; Non recovery of Rs.391,625/-.**

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**3.12.2003** The para consisted of three advance paras.

**i) Advance Para No.54, amounting to Rs.61,756/-**

The Department explained that recovery of Rs.39,606/- had been effected and verified by Audit. The Department further stated that the balance recovery of Rs.22,150/- would be recovered till next meeting of the PAC.

**ii) Advance Para No.57, amounting to Rs.1,26,563/-**

The Department explained that all the recovery had been effected from the contractor through transfer entry No.2 of February, 2002.

The Audit, however, pointed out that the adjustment was fictitious because no deposit of the contractor was available with the Department and the security had been released before the final bill was drawn.

**iii) Advance Para No.66, Rs.203,306/-**

The Audit stated that the recovery had been verified from the running bill.

The Department should provide the final bill of the work.

The Committee directed that the requisite record may be got verified by Audit and action may be taken against the persons responsible for release of performance security to the contractor and for making the fictitious transfer entry.

The para was kept pending.

**15.12.2004** The Department explained that the para comprised of three Advance Paras. In case of AP No.54, the balance recovery had been effected and in case of AP No.57, the recovery amounting to Rs.126,563/- had been effected from the security deposit of the contractor. The record pertaining to AP No.66 had also been produced to Audit for verification and disciplinary



action against the responsible officer was also under process.

Audit verified the contention of the Department and recommended the para for settlement.

The **para was accordingly settled.**

**105. Para No.105 Pages 76 & 77 of Audit Report for the year 1998-99;  
Non recovery of Rs.192,000/- on account of house rent.**

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**2.12.2003** The Department explained that the outstanding arrears had been waived off by the Competent Authority.

The Audit verified the contention of the Department.

The **para was settled.**

**106. Para No.106 Page 77 of Audit Report for the year 1998-99; Non-recovery of Rs.220,256/-.**

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**2.10.2003** Audit had observed that an amount of Rs.220,256/- was recoverable as government dues outstanding against the officers/officials and contractors.

The Department explained that amounts of Rs.43,888/- and Rs.114,428/- were paid to the contractors against the works executed by them under orders of the courts and were placed in P.W. Advance. Moreover, an amount of Rs.25,000/- was paid in excess of allotment for the work and placed in P.W. Advance.

The Department contended that the payments had been wrongly charged to the Suspence Head.

The Committee directed that the expenditure may be got regularized by the Finance Department.

The para was settled subject to regularization by the Finance Department.

**14.12.2004** The Department explained that reference had been made to the Finance Department for release of Rs.220,256/- under suspense head PW Misc. for final adjustment and the matter

was being sent to Finance Department for regularization.

The **para was kept pending** for regularization by the Finance Department.

**107.            Para No.107 Page 78 of Audit Report for the year 1998-99; Non-recovery of Rs.399,025/-.**

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**2.10.2003**     Audit had pointed out that against the total amount of Rs.489,500/-, a sum of Rs.399,025/- had not been recovered from the contractor on account of old dismantled material. The Department explained that the total recovery had since been effected from the subsequent running bills of the contractor.

The Department was directed to get the recovery verified by Audit by the next day.

On 3-10-2003, Audit stated in the meeting that the recovery had been verified.

The Committee accordingly **settled the para.**

**108.            Para No.108 Page 78 of Audit Report for the year 1998-99; Non-recovery of rent Rs.64,652/-.**

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**3.10.2003**     Audit pointed out that the contractor quoted below percentage of premium against superfluous items which were deleted at the time of execution. The non-execution of the item made the competition irrelevant and government sustained a loss of Rs.64,652/-.

The Department explained that on the observation of Audit the amount of Rs.64,652/- was recovered in June, 1999 from the security deposit of the contractor. The representative of FD pointed out that as per audit objection some superfluous items were deleted at the time of execution of work and the disciplinary action had not been taken against those who granted TS.

The Committee directed that the recovery of Rs.64,652/- should be got verified by the Audit. The para to the extent of the recovery was settled subject to verification by Audit.

The Committee, however, directed that the Administrative Department should re-examine the whole case in the light of the above mentioned observations of the Finance Department and if needed, action should be taken against the XEN concerned responsible for including superfluous items in the estimates.

**14.12.2004**     The Department explained that disciplinary action was being taken against the

responsible officer by the Chief Engineer. However, recovery had been effected and all the relevant record was produced to Audit for verification.

The Committee accepted the departmental reply and **settled the para.**

**109. Para No.109 Page 79 of Audit Report for the year 1998-99; Non-recovery of professional tax Rs.70,000/-.**

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**3.10.2003** Audit had pointed out that non-deduction of professional tax had resulted in non recovery of Rs.70,000/- from the contractor.

The Department explained that as per the decision of the adhoc PAC dated 29.3.2001, the payment of professional tax was the liability of the assessee and there was no legal obligation on the Drawing and Disbursing Officers to deduct the Professional Tax at source while making payments to the contractors/suppliers.

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

**110. Para No.110 Pages 79 & 80 of Audit Report for the year 1998-99; Short recovery of Rs.122,546/-.**

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**3.12.2003** The Department explained that the amount had been recovered and deposited into the Government Treasury.

The Committee settled the para subject to verification of record by Audit.

**15.12.2004** The Department explained that total amount had been recovered and deposited into the Government treasury which had been verified by Audit.

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

**111. Para No.111 Page 80 of Audit Report for the year 1998-99; Less recovery of Rs.85,657/- on account of old material.**

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**3.10.2003** Audit had pointed out that an amount of Rs.85,657/- had not been recovered from the contractor.

The Department explained that this work was related to the Mental Hospital, Lahore and in the original scope of work, the barracks consisting of cells had to be converted into wards. Later on, according to the requirements of the client Department, some cells had to be retained. So old material had been recovered according to the dismantled quantities and the recovery of Rs.470,242/- had been effected.

The Committee settled the para subject to verification of record by Audit.

**14.12.2004** The Department explained that as per directions of PAC dated 1-3 October 2003, relevant record had been produced to Audit for verification and the facts had been verified by the Audit.

The para was accordingly settled.

**112. Para No.112 Page 81 of Audit Report for the year 1998-99;  
Unjustified payment of Rs.68,947/-.**

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**11.8.2004** The department explained that to raise the level of the lawn/courtyard of the rest house provision for sand filling under the floor with a quantity of 33720 cft. was made in the revised technically sanctioned estimate by the competent authority.

The Audit observed that the final "NIL" bill was prepared earlier whereas the revised TS sanction was issued later and, therefore, the matter needed regularization by the competent authority.

The Committee directed that the department should get the case regularized by the competent authority and also take necessary action against the officer for the lapse under intimation to PAC.

The para was kept pending.

**15.12.2004** The Department explained that the case for regularization had been referred to the competent authority which was under process.

The para was kept pending.

**113. Para No.113 Pages 81 & 82 of Audit Report for the year 1998-99;  
Irregular payment of Rs.152,490/-.**

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**2.12.2003** The Audit had pointed out that the Department measured and paid some item of

work for quantities in excess of those provided in technically sanctioned estimate.

The Department explained that the revised detailed estimate based on the quantity of item executed at site was paid through vouchers after vetting by the Chief Engineer concerned. The revised administrative approval on the basis of this clearance was issued.

The Audit verified the relevant record during the meeting.

The para was settled.

**114. Para No.114 Page 82 of Audit Report for the year 1998-99; Non recovery of Rs.59,545/-.**

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**2.12.2003** The Audit informed the Committee that the record had been verified and recommended the para for settlement.

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

**115. Para No.115 Page 83 of Audit Report for the year 1998-99; Non recovery of Rs.84,018/-.**

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**3.12.2003** The Audit had pointed out non recovery of Rs.84,018/- from the contractor.

The Department stated that all the recovery had been effected and deposited into the Government Treasury.

The Committee settled the para subject to verification of recovery by Audit.

**15.12.2004** The Department explained that all the relevant record had been produced to Audit which had verified the same.

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

**116. Para No.116 Pages 83 & 84 of Audit Report for the year 1998-99; Non-recovery of Rs.332,784/-.**

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**2.10.2003** Audit had observed that the Department did not recover the amount of Rs.332,784/- on account of price variation due to decrease in the cost of Cement as per stipulation in agreement.

The Department explained that this para consisted of two parts:

1. Advance para No.1101 for Rs.2,42,000/-

The Department explained that the Audit contention for deduction of price variation from the contractor was not correct because the price variation was always effected in the final bill of the contractor as per standing instructions of the Finance Department. The Committee directed the representative of the Finance Department to verify the contention of the Department by the next day.

On 3.10.2003, the representative of the Finance Department stated in the meeting that the contention of the Department was correct.

The Committee accordingly settled this part.

2. Advance para No.1102 for Rs.90,784/-

The Department explained that the recovery pointed out by Audit had been effected from the contractor.

The Committee settled this part subject to verification by Audit.

**14.12.2004** The Department explained that recovery of Rs.56,828/- on account of price variation had been effected from the contractors final bill and efforts were being made for balance recovery from the Contractor.

The **para was conditionally settled** subject to balance recovery and its verification by Audit.

**117. Para No.117 Page 84 of Audit Report for the year 1998-99; Short recovery of Rs.137,468/-.**

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**3.12.2003** The Audit informed the Committee that all the recovered amount had been verified and recommended the para for settlement. The Committee **settled the para** on the recommendation of Audit.

**118. Para No.118 Page 85 of Audit Report for the year 1998-99; Short recovery of Rs.224,188/-.**

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**3.12.2003** The Audit had pointed out that the Department deducted the amount of income tax at the rate of 3% instead of 5%.



The Department explained that all the actual recovery of Rs.224,588/- had been recovered and relevant record would be produced to Audit for verification.

The Committee settled the para subject to verification of record by the Audit.

**15.12.2004** The Department explained that actual recovery amounting to Rs.224,588/- had been effected from the contractors and was accounted for in the monthly account and the facts had been verified by the Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The **para was accordingly settled.**

**119.            Para No.119 Pages 85 & 86 of Audit Report for the year 1998-99; Short recovery of Income Tax amounting to Rs.389,931/-.**

**3.12.2003** The Department explained that total recovery had been effected and deposited into the Government Treasury.

The Committee settled the para subject to verification of recovery by the Audit.

**15.12.2004** The Department explained that total amount involved in the draft para had been recovered and the record had been produced to Audit for verification.

The **para was pended** for verification of record by Audit.

**120.            Para No.120 Page 86 of Audit Report for the year 1998-99; Non recovery of Rs.216,357/- due to decrease in the cost of cement.**

**3.12.2003** The Department stated that all the recovery had been effected and deposited into the Government Treasury.

The Committee settled the para subject to verification of record by the Audit.

**15.12.2004** The Department explained that partial recovery had been effected and efforts were being made for recovery of the balance amount. However, Audit was of the view that there was violation of Financial Rules had taken place in the matter and the Department could not go above the prescribed ceiling.

The **para was kept pending** with the direction that Department should look into the matter and produce record in support of its contention.

**121. Para No.121 Pages 86 & 87 of Audit Report for the year 1998-99; Non recovery of Rs.250,000/-.**

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**3.12.2003** The Audit had pointed out that the Department failed to recover the amount of professional tax and stamp duty from various contractors.

The Department stated that all the recovery had been effected and deposited into the Government Treasury.

The Committee settled the para subject to verification of record by the Audit.  
**15.12.2004** The Department explained that para comprised two Advance Paras. In case of AP No.1171, the professional tax for the years 96-97 & 97-98 had been recovered from the security deposit of the contractor on the basis of actual payment whereas in case of AP No.1178, all the agreements for the years 1997-98 had been completed and stamp papers/revenue stamps were affixed in the agreement.

The **para was conditionally settled** subject to balance recovery and its verification by Audit.

**122. Para No.122 Page 87 of Audit Report for the year 1998-99; Non recovery of Rs.693,000/-.**

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**2.12.2003** The Audit had pointed out that the Department failed to recover the water and electricity charges from the contractor amounting to Rs.693,000/-.

The Department explained that the claim of MS Civil Hospital, Multan for using electricity/water by the contractor was malafide the MS wanted recovery from the contractor @ Rs.30000/- p.m whereas the total average per month bill of the entire Hospital had not increased to Rs.25,000/- during the execution of work as per there own cash book record.

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

**123. Para No.123 Page 88 of Audit Report for the year 1998-99; Non recovery of Rs.56,500/-.**

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**11.8.2004** The department explained that an amount of Rs.39,400/- had been recovered from

the contractors concerned leaving a balance of Rs.17,100/-. The department referring to the decision of the Ad hoc PAC meeting dated 29-3-2001, stated that assesseees were themselves responsible for payment of professional tax and its deduction at source was not required.

Finance Department observed that deduction of the professional tax at source was required to be made by the departments being a provincial tax.

The Committee did not accept the explanation of the department and directed that besides effecting the balance recovery, the department should deduct this tax at source in future.

The para was kept pending.

**15.12.2004** The Department explained that total recovery had been effected and verified by Audit.

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

### **SPECIAL DIRECTION/OBSERVATION.**

**3.10.2003**

1. The Committee directed that the Finance Department might take up the matter with WAPDA that surcharge should not be imposed on electricity bills payable by the Provincial Government Departments.

2. The Committee observed that in most of the cases the administrative departments stated in their working papers of their audit paras that the relevant record was available and could be verified by Audit. The Committee directed that verification of record where necessary for settlement of an audit para must be got verified by Audit before the meeting of the public Accounts Committee. The Assembly Secretariat was directed to inform all administrative departments accordingly

### **GENERAL DIRECTION/OBSERVATION:**

**3.12.2003** The Committee observed that the abandonment of incomplete schemes and completion of the incomplete schemes after a long period at higher rates resulted in wasteful expenditure.

The Committee directed that in future the Government should see that only the fully funded schemes were got executed.

**(Highways)**  
**Audit Paras (Civil) for the year 1998-99**

**124.            Para No.1 Page 7 of Audit Report for the year 1998-99; Mis-appropriation of Rs.6,485,960/-.**

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**15.12.2004**    The Department explained that inquiry had been ordered into the case pertaining to subject para and actual position would be explained on receipt of the findings of the inquiry.

The **para was kept pending** till completion of the inquiry.

**125.            Para No.2 Page 8 of Audit Report for the year 1998-99; Un-authorized payment of Rs.4,470,000/-.**

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**13.12.2003**    The Audit had pointed out that the division made payment to the Metropolitan Corporation Lahore but vouched account was not received.

The Department stated that complete record of vouched accounts had been received from the Metropolitan Corporation, Lahore which could be verified by Audit.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004**    The Department explained that the amount of para had been reduced after verification of record on 29.10.2003 and vouched accounts of the balance amount were also available for verification.

The para was kept pending for verification of relevant record by 15.12.2004.

On 15.12.2004 Audit stated that record had been verified and recommended the para for settlement.

The **para was settled**.

**126.            Para No.3 Pages 8 & 9 of Audit Report for the year 1998-99; Un-due favour of Rs.3,124,659/- to the contractor.**

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**15.12.2004** Audit had pointed out that secured advance was awarded to the contractor without recording any entry of the material at site and for perishable material.

The Department explained that para comprised four parts.

In case of AP No.6, the secured advance was allowed to the contractor when triple surface treatment work was in progress. It was utilized immediately and full recovery was effected. In case of AP No.19 & 20, security could be retained at the uniform rate of 5% instead of 10% for the work valuing Rs.5 million. As no undue financial aid was granted. In case of AP No.21, the secured advance was allowed after observing all codal formalities and was recovered accordingly.

However, the Committee was not satisfied with the departmental explanation and directed that an inquiry should be conducted into the matter regarding doubtful payment of secured advances and be completed within 90 days under intimation to PAC.

**The para was kept pending.**

**127.            Para No.4 Pages 9 & 10 of Audit Report for the year 1998-99; Loss of Rs.1,582,261/-.**

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**13.12.2003** Audit verified the record shown during the meeting and recommended the para for settlement.

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

**128.            Para No.5 Page 10 of Audit Report for the year 1998-99; Misappropriation of Rs.1,206,347/-.**

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**3.2.2005** Audit had pointed out that in Highway Division Sheikhpura a sub-engineer misappropriated 143.82 metric ton of bitumen and the department placed the amount in P.W misc: advance for recovery.

The Department explained that the shortage of bitumen was noticed at the time of taking charge from Mr. Zafar Iqbal, Sub-Engineer who absconded and failed to render stock account. An inquiry under RSO 2000 was conducted, the competent authority had passed orders for recovery from the concerned. A criminal case had been got registered against the defaulter.

The Finance department pointed out that the department had removed the concerned from service on the allegation of misconduct but they did not follow the criminal case.

The Department was directed to pursue the case in the court of law and **para was kept pending.**

**129.            Para No 6 Pages 10 & 11 of Audit report for the year 1998-99; Short Receipt bitumen Costing Rs.876,228/-**

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**1.2.2005**        Audit had pointed out that Highway Division Vehari paid Rs.4,846,530/-to sister Division for supply of 390 M.T bitumen @ Rs.12,427/-per M.Ton but quantity of 319.49 M. Ton was received.

The department explained that the total quantity had been received and as a result of verification of records, the contention of the department had been accepted by the audit.

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

**130.            Para No.7 Page 11 of Audit Report for the year 1998-99; Non recovery of Rs.740,700/-.**

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**15.12.2004?**    The Department explained that inquiry had been ordered into the case pertaining to subject para and actual position would be explained on receipt of the findings of the inquiry.

The **para was kept pending** till completion of the inquiry.

**131.            Para No.8 Pages 11 & 12 of Audit Report for the year 1998-99; Loss of Rs.502,841/- to government.**

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**15.12.2004**    Audit had pointed out that reduction in the quantity of lesser rates items had resulted in loss to the Government.

The Department explained that para comprised two advance paras. In case of AP No.15, tenders were floated on the basis of approved DNIT and rates of lowest bidder were accepted on the basis of approved BOQ. In case of AP No.20, the DNIT was prepared on the basis of rough cost estimate and tenders were floated accordingly. In the meantime detailed estimate was approved by the competent authority and accordingly contract was awarded. However, the quantities of TS were made basis for comparison of cost of tender and acceptance.

Finance Department observed that violation of rules was committed by the Department.

The Committee desired that an inquiry be initiated in the case and disciplinary action be taken against the responsables.

The **para was kept pending.**

**132.            Para No.9 Page 12 of Audit Report for the year 1998-99; Loss of**



**Rs.420,114/- to government.**

**15.12.2004** Audit had pointed out that change in the scope of work had resulted in loss to the Government.

The Department explained that quantity of earth work was reduced on the basis of detailed survey and no excess payment was involved in the allotment of work. However, tenders were invited on the basis of DNIT and then detailed estimate was approved by the competent authority.

The Committee was not satisfied with the departmental contention and desired that an inquiry be initiated in the case and disciplinary action be taken against the responsables.

The **para was kept pending.**

**133. Para No.10 Page 13 of Audit Report for the year 1998-99; Fictitious payment of Rs.363,039/-.**

**3.2.2005** Audit had pointed out that non accountal of the articles purchased resulted in fictitious payment of Rs.363,039/-.

The Department explained that accountal of P.O.L and T&P had been verified by the Audit.

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

**134. Para No.11 Pages 13 & 14 of Audit Report for the year 1998-99; Misappropriation of material valuing Rs.278,619/-.**

**3.2.2005** Audit had pointed that non accountal of material resulted in misappropriation of Rs.278,619/-.

The Department explained that the relevant record had been verified by the Audit.

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

**135. Para No.13 Page 15 of Audit Report for the year 1998-99; Loss of Rs.220,317/- to government.**

**3.2.2005** Audit had pointed out that non auction of empty bitumen drums resulted in loss of Rs.220,317/- to Government.

The Department explained that the record regarding auction of 1682 empty bitumen drums had been verified by the Audit.

The Department was directed to issue necessary instructions for auction of empty drums at the earliest.

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

**136.            Para No.14 Pages 15 & 16 of Audit Report for the year 1998-99, Loss of Rs.190,736/-**

**13.12.2003** Audit pointed out that a Division made payments on account of supply of crushed stone dust but the material was not consumed on any work.

The Department explained that the material in question had been taken in Road Material Register of Plant Sub-Division.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004** The Department explained that as per decision of PAC, revised estimate on the work done basis was submitted to the District Officer Buildings for revised technical sanction which was under process.

The **para was conditionally settled subject to revised technical sanction by the competent authority.**

**137.            Para No.16 Pages 16 & 17 of Audit Report for the year 1998-99; Excess Payment of Rs.86,395/-.**

**3.2.2005** Audit had pointed out that non adjustment of old brick edging was resulted in excess payment of Rs.86,395/- to the contractor.

The Department explained that the relevant record/recovery of Rs.13,110/- had been verified by the Audit.

The Departmental contention was supported by the Audit and the **para was settled.**

**138.            Para No.17 Page 17 of Audit Report for the year 1998-99; Non**

**recovery of Rs.54,800/-.**

**15.12.2004** The Department explained that empty tar drums had been consumed by fixing on berms and relevant record in support of departmental contention had been produced to Audit. However, Audit contented that record pertaining to empty drums had not been produced to it.

The **para was kept pending** for verification of record till 30.12.2004.

**139. Para No.18 Page 18 of Audit Report for the year 1998-99; Short recovery of Rs.47,250/-.**

**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**140. Para No.20 Page 19 of Audit Report for the year 1998-99; Over payment of Rs.150,376/-.**

**12.12.2003** Audit had verified the amended Technical Sanction Estimate, and recommended the para for settlement.

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

**141. Para No.21 Page 20 of Audit Report for the year 1998-99; Overpayment of Rs.71,527/-.**

**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**142. Para No.22 Pages 20 & 21 of Audit Report for the year 1998-99; Double Payment of Rs.53,610/-.**

**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**143.            Para No.23 Page 21 of Audit Report for the year 1998-99; Double Payment of Rs.50,633/-**

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**15.12.2004** The Department explained that total recovery had been effected and deposited into Government treasury.

The Audit stated that the record had yet to be verified.

The Committee **settled the para subject to verification of recovery by Audit.**

**144.            Para No.24 Pages 21 & 22 of Audit Report for the year 1998-99; Over payment of Rs.752,328/-.**

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**12.12.2003** Audit pointed out that Highways Division Murree paid full quantity of stone in the item of work “Stone Filling Pitching” however, as per rate analysis, the quantity of 135 cft was to be taken as 100 cft. Excessive measurement resulted in overpayment of Rs.752,328/-

The Department explained that the said item was governed by the provisions noted at page 129 Schedule of Rates 1979, at para No.4 wherein it was laid down clearly that no reduction factor was applicable in the payment for supply and that the quantity of finished and completed item of work shall form the basis of laying.

The extract from the noting at Page 129 of the schedule of rates was further reproduced by the Department as under:-

“The actual stack measurements (without any reduction factor) shall form the basis of payment of supply or carriage of the stone boulder of spawl etc. The quantity of finished and completed item of work shall form the basis of laying.”

Audit insisted for recovery as per rate analysis issued by the Standing Rates Committee 135 cft stone was required for 100 cft finished quantity of filling stone.

The Committee kept the para pending for further examination by Audit.

**14.12.2004** The Department explained that the item under audit observation was included in the supply of stone and labour charges for its lying and it was governed by provisions of schedule of rates 1979. A copy of rate analysis for the said item also did not indicate any deduction to be made. It was further explained that payment was made on completed work according to the CSR.

The Committee accepted the departmental explanation and **settled the para.**

**145. Para No.25 Page 22 of Audit Report for the year 1998-99; Over payment of Rs.267,457/-.**

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**11.12.2003** Audit pointed out that after verification of record, the amount of para was reduced to Rs.98,818/-.

The Department stated that the amount of Rs.98,818/- had been deposited on 5.12.2003..

The Committee kept the para pending till 12.12.2003 for verification of record.

On 12.12.2003 the Committee **settled the para** on the recommendation of Audit with the observation that in future such paras should be considered and settled at the Special Departmental Accounts Committee level.

**146. Para No.26 Page 23 of Audit Report for the year 1998-99; Overpayment of Rs.699,211/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**147. Para No.27 Page 24 of Audit Report for the year 1998-99; Overpayment of Rs.238,803/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**148.            Para No.28 Pages 24 & 25 of Audit Report for the year 1998-99;  
Overpayment of Rs.143,040/-.**

**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**149.            Para No.29 Pages 25 & 26 of Audit Report for the year 1998-99;  
Excess payment of Rs.469,417/-.**

**11.12.2003** The Audit pointed out that the above mentioned excess payment occurred due to variation in the quantities of Sub-base course and base course.

The Department explained that the quantities of sub-base course and base course had been paid according to site requirements and the second revised detailed estimate incorporating the variation had been submitted to the Chief Engineer.

The Committee directed actual recoverable amount be worked out, recovery be effected and got verified by the Audit within 30 days.

The para was kept pending.

**14.12.2004** The Department explained that the base course had been paid within the limits of TS estimate. However, 150728 cft. of sub-base course was paid as per site requirements because the road was damaged which resulted in variation of quantities of sub-base course. The variations were covered in the revised estimate which had been submitted for approval of competent authority.



The **para was conditionally settled** subject to revised technical sanction by the competent authority.

**150.            Para No.30 Page 26 of Audit Report for the year 1998-99;  
Overpayment of Rs.263,312/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**151.            Para No.31 Page 26 of Audit Report for the year 1998-99;  
Overpayment of Rs.1,018,160/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**152.            Para No.32 Pages 27 & 28 of Audit Report for the year 1998-99;  
Overpayment of Rs.92,800/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**153.            Para No.33 Page 28 of Audit Report for the year 1998-99;  
Overpayment of Rs.400,722/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions

had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**154.            Para No.34 Pages 28 & 29 of Audit Report for the year 1998-99;  
Over payment of Rs.50,327/-.**

---

**11.12.2003**    The Department explained that the payment had been made correctly and no overpayment was involved. "Fabrication of high tensile steel cable etc" was correctly made to the contractor as per P-71 of MB No. 14992. The record was available for verification.

The Committee directed that relevant record be got verified by the Audit by 13.12.03.

On 13.12.2003 the **para was settled** on the recommendation of Audit.

**155.            Para No.35 Page 29 of Audit Report for the year 1998-99;  
Overpayment of Rs.2,554,197/-.**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**156.            Para No.36 Page 30 of Audit Report for the year 1998-99;  
Overpayment of Rs.84,503/-.**

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**15.12.2004**    Audit had pointed out that the Department awarded work at higher rates which resulted in over-payment to the contractor.

The Department explained that contractors quoted their rates for the items contained in construction work and they were not bound to fix rates of any item. The contract was awarded to the lowest contract and no overpayment was involved.

The Committee showed its displeasure and desired that such things should not happened in future and **settled the para subject to condonation by the competent authority**

**157. Para No.37 Pages 30 & 31 of Audit Report for the year 1998-99; Over payment of Rs.264,422/-.**

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**12.12.2003** Audit had verified the Technical Sanction Estimate, and recommended the para for settlement.

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

**158. Para No.38 Page 31 of Audit Report for the year 1998-99; Overpayment of Rs.126,627/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**159. Para No.39 Page 32 of Audit Report for the year 1998-99; Over payment of Rs.1,017,753/-.**

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**2.2.2005** Audit had pointed out that Highway Division Khushab did not use the material i.e. shingle medium rock etc as sub base and base obtained from excavation and allowed full rate instead of labour rate only. Non utilization of available material at site resulted in over payment of Rs.10,17,753.

The department explained that shingle gravel material recovered in the excavation of retaining walls and other structure was not at all suitable to be used as sub base course because as per laboratory report the hardness of shingle gravel material was not in accordance with the specification. The work was executed strictly as per TS.

Audit verified the laboratory report during the meeting and recommended the para for settlement. The **para was settled.**

**160. Para No 40 Page 32 of Audit report for the year 1998-99; Over Payment of Rs.197,292/-**

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**1.2.2005** Audit had pointed out that Highway Division Sahiwal got executed an item of Work RCC type C 1:2:4 for construction of 2 feet and 4 feet span culverts and paid @ Rs.21.50 per Cft. instead of Rs.15.70 per Cft. The payment was made in contravention of Standing Rates Committee.

The Department explained that the payment was justified and there was no irregularity, accordingly the relevant record had been verified by the Audit.

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

**161. Para No.41 Page 33 of Audit Report for the year 1998-99; Excess payment of Rs.346,700/-.**

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**13.12.2003** The Audit had observed that the Division failed to re-use the dismantled road pavement and deducted it from the quantity of sub-base course paid to the contractor.

The Department explained that the material in question had been re-used.

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

**14.12.2004** The Department explained that para comprised two advance paras. In case of AP No.5, the quantity of dismantling was dismantled as per final bill of said work and the items in question existed in the MB and final bill. In case of AP No.3 recovery of old material covered after dismantling had been deducted from the contractor through the 9<sup>th</sup> running bill entered in the MB.

Audit stated that record had not been produced for verification.

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

On 15.12.2004 Audit stated that record had been verified and recommended the para for settlement.

The **para was settled.**

**162.            Para No.43 Pages 34 & 35 of Audit Report for the year 1998-99; Un-authorized payment of Rs.247,724/-.**

---

**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**163.            Para No.44 Page 35 of Audit Report for the year 1998-99; Excess payment of Rs.518,519/-.**

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**3.2.2005**        Audit had pointed out that violation of government rules resulted in excess payment Rs.518,519/- to the contractor.

The Department explained that the relevant record had been verified by the Audit.

The Departmental contention was supported by the Audit and the **para was settled.**

**164.            Para No.45 Pages 35 & 36 of Audit Report for the year 1998-99; Excess payment of Rs.163,694/-.**

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**3.2.2005**        Audit had pointed out that deviation from contract agreement resulted in excess payment.

The Department explained that entire recovery had been effected and accounted for in the monthly account of 12/2004.

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

**165.            Para No.47 Page 37 of Audit Report for the year 1998-99; Excess payment of Rs.102,412/-.**

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**11.12.2003**    Audit informed that the total recovery had been effected and verified.

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

**166.            Para No.48 Pages 37 & 38 of Audit Report for the year 1998-99;**

### **Excess payment of Rs.4,781,257/-.**

**11.12.2003** The Audit had pointed out that the Department executed item of work "Providing & Fixing steel grill/fencing etc" and paid to the contractor without its provision in original/ revised TS estimate and approved DNIT.

The Department explained that, "providing and fixing steel grills/fencing" @ Rs.143/- per sft was approved by the competent authority and payment was made accordingly. Provision of this item was included in the revised TS. As steel grills/ fencing was non- schedule item, it was not included in the original TS estimate.

The Committee was not satisfied with the explanation of the Department and constituted a Sub Committee consisting of the following members for detailed examination of the para including site inspection and submission of its report to the Committee.

- |                                 |          |
|---------------------------------|----------|
| 1. Mr Ali Hassan Raza Qazi, MPA | Convener |
| 2. Ch Abdul Ghafoor Khan, MPA   | Member   |

The para was kept pending.

**14.12.2004** The Department explained that the matter had been considered by Sub-Committee-V of PAC-I which had finalized the matter on 2.4.2004 observing that violation of rules by authorities had resulted in un-necessary payment to the contractor. The Sub-Committee recommended that disciplinary action should be taken against the responsible officers/officials under the rules and the loss be recovered from concerned persons. The Sub-Committee also showed displeasure on awarding of contract by TMA illegally /without approval of the Administrative Department.

The Committee endorsed the recommendation of Sub-Committee and directed the Department to proceed in the light of directions of the Sub-Committee.

**The para was kept pending.**

### **167.        Para No.49 Pages 38 & 39 of Audit Report for the year 1998-99; Excess payment of Rs.271,071/-.**

**15.12.2004?** The Department explained that the para comprised two advance paras. In case of AP No.14, recovery of road crust/structure for the raised portion had been verified by Audit and



no deduction of crust was involved in the matter. Earth work only on birms had been paid to the contractor as per provisions of the TS estimate. In case of AP No.16, the height of earthen embankment was measured upto the level where deduction of road crust was not involved. However, recovery of road crust, road edging and TST had been effected in the final bill.

**The para was settled subject to balance recovery and its verification by the Audit.**

**168.            Para No.50 Page 39 of Audit Report for the year 1998-99; Excess payment of Rs.1,757,074/-.**

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**2.2.2005**        Audit had pointed out that non-utilization of excavated shingle material resulted in excess payment of Rs.1,757,074/-.

The department explained that recovery had been effected and verified by the Audit.

The departmental contention was supported by the Audit, therefore, the committee decided to **settle the para.**

**169.            Para No.51 Page 40 of Audit Report for the year 1998-99; Non recovery of Rs.150,000/-.**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**170.            Para No.52 Pages 40 & 41 of Audit Report for the year 1998-99; Excess payment of Rs.120,991/-.**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**171.            Para No.53 Page 41 of Audit Report for the year 1998-99; Excess payment of Rs.158,828/-.**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**172.            Para No.54 Page 42 of Audit Report for the year 1998-99; Loss of Rs.1,196,777/-.**

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**12.12.2003**    The Department explained that Revised Administrative Approval of change in scope of work had been obtained from the Competent Authority and there was no loss involved to the Government.

The Committee was satisfied with the explanation of the Department and **settled the para.**

**173.            Para No.55 Pages 42 & 43 of Audit Report for the year 1998-99; Excess payment of Rs.571,306/-.**

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**13.12.2003**    The Department explained that neither the dismantling of existing brick edging in widened portion of road was got executed nor paid for. As such deduction on this account was not required.

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

**14.12.2004**    Audit explained that T.S and MB had been got verified and recommended the para for settlement.

The **para was accordingly settled.**

**174.            Para No.56 Page 43 of Audit Report for the year 1998-99; Excess payment of Rs.476,989/-.**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**175. Para No.57 Pages 43 & 44 of Audit Report for the year 1998-99; Excess payment of Rs.253,264/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**176. Para No.58 Page 44 of Audit Report for the year 1998-99; Excess payment of Rs.54,945/-.**

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**13.12.2003** The Department stated that total recovery had been effected and got verified by the Audit.

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

**177. Para No.59 Page 45 of Audit Report for the year 1998-99; Less recovery of Rs.106,200/-.**

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**13.12.2003** The Department stated that recovery of Rs.97,400/- had been made and the balance recovery of Rs.8,800/- had been referred to Executive District Office (Revenue), Gujranwala for recovery as arrears of land revenue.

The Audit verified the contention of the Department and **para was settled**.

**178. Para No.60 Pages 45 & 46 of Audit Report for the year 1998-99; Non recovery of Rs.255,156/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for

settlement.

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

**179. Para No.61 Page 46 of Audit Report for the year 1998-99; Overpayment of Rs.174,479/- + 39,179/- = 213,658/-**

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**15.12.2004** Audit had pointed out that non-deduction of road crust had resulted in over-payment.

The Department explained that the para comprised two advance paras. In case of AP No.2 a sum of Rs.174,479/- had been transferred to Provincial Highways Division, Gujranwala and the remaining amount related to AP No.6 which had been deposited by the contractor vide GR dated 7.10.2003. However, Audit contended that no record was produced in support of Departmental contention for verification.

The Committee **settled the first part of the para and pended the second part for verification of record by Audit.**

**180. Para No.62 Pages 46 & 47 of Audit Report for the year 1998-99; Un-balance execution of work Rs.9,629,854/-.**

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**13.12.2003** The Department explained that the work had been executed according to revised detailed estimates. Moreover, recovery of Rs.484,614/- for unbalanced rates on account of non-execution of certain items had been made from the contractors.

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

**181. Para No.63 Page 47 of Audit Report for the year 1998-99; Loss due to non recovery of Rs.530,000/-.**

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**15.12.2004** Audit had pointed out that the Department failed to recovery rent of approach roads for industrial units falling under its jurisdiction.

The Department explained that the Government had withdrawn the notification dated 10.9.1997 regarding collection of rent from approach roads.

The Committee accepted the departmental contention and the **para was settled.**

**182.            Para No.64 Page 48 of Audit Report for the year 1998-99; Excess payment of Rs.123,009/-.**

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**15.12.2004**    Audit had pointed out that non-deduction of existing embankment resulted in excess payment to the contractor.

The Department explained that final bill had been paid to the contractor taking the quantity of earth work according to the cross section area recorded in relevant MB and the deduction of existing embankment had been made.

However, Audit stated that record was not produced in support of departmental reply for verification.

**The para was kept pending for verification of relevant record till 30.12.2004.**

**183.            Para No.65 Pages 48 & 49 of Audit Report for the year 1998-99; Excess payment of Rs.281,663/-.**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**184.            Para No.66 Page 49 of Audit Report for the year 1998-99; Excess payment of Rs.674,322/-.**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**185. Para No.67 Pages 49 & 50 of Audit Report for the year 1998-99;  
Excess payment of Rs.79,312/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**186. Para No.68 Pages 50 & 51 of Audit Report for the year 1998-99;  
Excess payment of Rs.235,288/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**187. Para No.69 Page 51 of Audit Report for the year 1998-99; Excess  
payment of Rs.265,089/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**188. Para No.70 Pages 51 & 52 of Audit Report for the year 1998-99;  
Excess payment of Rs.79,349/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**189. Para No.71 Pages 52 & 53 of Audit Report for the year 1998-99;**



**Excess payment of Rs.118,976/-.**

**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**190. Para No.72 Page 53 of Audit Report for the year 1998-99; Undue financial aid of Rs.448,000/-.**

**15.12.2004** Audit had pointed out that the Department allowed secured advance to the contractor without supply of material.

The Department explained that total recovery had been effected from the contractor and deposited into Government treasury. However, procedural lapse had taken place.

The Committee showed displeasure on the irregularity and directed the Department to probe into the matter and take disciplinary action against the officer and District Accounts Officer responsible for the irregular payment. It was also recommended that the concerned officer should be withdrawn from their present posting till the completion of the inquiry.

The **para was kept pending.**

**191. Para No.73 Pages 53 & 54 of Audit Report for the year 1998-99; Less recovery of Rs.145,102/-.**

**15.12.2004** Audit had pointed out that the Department failed to recover interest on the secured advance for material which was not utilized for bonafide work.

The Department explained that secured advance had been recovered from the contractor in 1996 and he was declared defaulter in 1997. As such recovery on account of interest was not due.

The **para was kept pending** for verification of relevant record till 30.12.2004.

**192. Para No.74 Page 54 of Audit Report for the year 1998-99; Excess payment of Rs.284,700/-.**

**15.12.2004** Audit had pointed out that non-deduction of available earth had resulted in excess

payment to the contractor.

The Department explained that the work had been carried out in accordance with technical sanction and no loss to Government had taken place and as a result of verification of record, the amount of para had been reduced to Rs.28,470/- and no payment was made to the contractor for the item of regular excavation. As such no deduction of earth was required.

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

**193.            Para No.75 Pages 54 & 55 of Audit Report for the year 1998-99; Non recovery of Rs.154,391/-.**

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**15.12.2004**    Audit had pointed out that the Department failed to recover interest on account of secured advance.

The Department explained that out of 76852 cft., available quantity of secured advance 11191 cft. was actually consumed at site and remaining was not measured as the same was not available at site. The final bill of the contractor had been prepared and recovery had been effected which could be verified by Audit.

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

**194.            Para No.76 Page 55 of Audit Report for the year 1998-99; Non recovery of Rs.711,545/-.**

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**15.12.2004**    Audit had pointed out that the Department failed to recover the secured advance from the contractor.

The Department explained that the balance work had been awarded to the second contractor at the risk and cost of defaulting firm and the secured advance material had been consumed on 15.11.1997 and the final bill of M/S Awan and Company had been entered and passed for Rs.49,963/- and partial recovery had been effected and an amount of Rs.36,407/- was outstanding. However, the para related to unfunded schemes which were incomplete.

The Committee observed that funds should be provided for completion of the scheme.

The **para was kept pending.**

**195.            Para No.77 Page 56 of Audit Report for the year 1998-99; Excess payment of Rs.554,400/-.**

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**15.12.2004**    Audit had pointed out that non-realization of dismantled road pavement had resulted in excess payment.

The Department explained that in the new set up para pertained to Provincial Highways Division, Gujranwala and verification of relevant record was required in the matter which would be produced to Audit. The Department requested for some time for provision of record to Audit.

**The para was kept pending for verification of record till 30.12.2004.**

**196.            Para No 78 Page 56 of Audit report for the year 1998-99; Less Recovery of Income Tax Rs.65,954/- .**

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**1.2.2005**      Audit had pointed out that Highway Division D.G.Khan deducted less Income Tax from the bills of contractors.

The department explained that recovery had been effected and verified by the Audit.

The departmental contention was supported by the Audit, therefore, the committee decided to **settle the para**.

**197.            Para No 79 Page 57 of Audit report for the year 1998-99; Un-Due Favour/un-Justified Payment of Rs.1,606,028/- .**

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**1.2.2005**      Audit had pointed out that Highway Division, DG Khan allowed secured advance on bitumen admissible owing to the fact that bitumen was a perishable commodity. Payment of secured advance on perishable item resulted in undue favour/unjustified payment of Rs.1,606,028/-.

The department explained that the amount had been recovered and the security less deducted had been adjusted in the 7<sup>th</sup> running bill. The relevant record had been verified by Audit.

The Finance Department observed that the Departmental action had been completed and no further action was required.

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

**198.            Para No 80 Page 58 of Audit report for the year 1998-99; Irregular enhancement of agreement of Rs.803,015/-.**

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**1.2.2005**      Audit had pointed out that Highway Division D.G. Khan issued acceptance letter to a contractor for Rs.12,544,965/- against the bid cost of Rs.11,741,949/- after incorporating

cushion of 4.5% on technically sanction cost. The same was irregular enhancement of agreement.

The department explained that the relevant record like TS, acceptance order; etc, was available for verification by Audit. Moreover, simultaneous action was taken, as the TS and acceptance of tenders were of the same date. Therefore, no irregularity was involved.

Finance Department pointed out that the para could be recommended for settlement if the TS and the acceptance of tenders were of same date.

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

**199.            Para No 81 Page 58 of Audit report for the year 1998-99; Excess Payment of Rs.179,010/-**

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**1.2.2005**        Audit had pointed out that Highway Division D.G. Khan allowed full quantity of items i.e. base course, Tripple surface treatment and road edging with out deducting the areas covered by the cause-ways. The department explained that the recovery pointed out by the Audit had been effected.

The department was directed to effect recovery of earth work which was due from contractor in addition to other recovery.

**The para was kept pending.**

**200.            Para No 82 Page 59 of Audit report for the year 1998-99; Excess Payment of Rs.127,058/-**

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**1.2.2005**        Audit had pointed out that Highway Division D.G. Khan allowed full quantity of earth embankment without deduction of road crust and allied items, non deduction of road crust etc. from earth embankment resulted into excess payment of Rs.127,058/-.

The Department explained that the entire recovery had been effected.

The Committee decided to **settle the para subject to verification of recovery record by Audit.**

**201.            Para No 83 Page 59 of Audit report for the year 1998-99; Over Payment of Rs.62,816/-.**

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**1.2.2005**        The Department pointed out that the said para was duplication of draft para No.81 of Audit report 1998-99. The Audit verified the fact.

The Committee decided to **delete the para.**

**202.            Para No 84 Page 60 of Audit report for the year 1998-99; Excess Payment of Rs.44,099/-**

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**1.2.2005**        Audit had pointed out that Highway Division D.G. Khan allowed lump sum Qty of base course and TST without making detailed record entries with reference to site location for curves. This irregularity resulted in excess payment of Rs.44,099/-.

The department explained that according to detailed measurement the quantity of base course came to 3000 cft., whereas Audit had pointed out that after tempering of record lumpsum quantity of 3037 cft., of base course was made. The tempering was there but the effect of tempering was minor as the difference of quantities was of 37 cft. which resulted in excess payment of Rs.315/-. The amount had been recovered. The XEN concerned had already been dismissed from service in some other case.

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

**203.            Para No 85 Page 60-61 of Audit report for the year 1998-99 ; Un-Justified payment of Rs.573,046/-**

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**1.2.2005**        Audit had pointed out that Highway Division D.G. Khan allowed Special Repair of the same work not completed as per items of agreement. The payment for Special Repair of incomplete work, prima facie, resulted in un-justified payment of Rs.573,046/- to the contractor.

Audit explained that the departmental action was in order which had been verified from the record.

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

**204.            Para No.86 Page 61 of Audit Report for the year 1998-99; Overpayment of Rs.242,260/-.**

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**3.2.2005**        The Department explained that in the above mentioned para Mr Muhammad Ashraf, XEN was incumbent and he had absconded abroad.

The Committee observed huge embezzlement made by the XEN and other staff. The department was directed to conduct a fact finding inquiry into the matter to be finalized

within 60 days.

The para was kept pending.

**205.            Para No.87 Page 62 of Audit Report for the year 1998-99; Excess payment of Rs.242,000/-.**

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**11.12.2003**     Audit pointed out that the Division executed the item of work "dismantling of road edging" but salvaged material was not deducted from the quantity of sub-base course.

The Department explained that total recovery as per TS estimate had been made from the final bill. The record was available for verification of Audit.

The Department was directed to get the record verified by Audit by 13.12.2003.

On 13.12.2003, Audit stated that as per latest verification of record the Department had made total recovery against the quantities.

The Committee **settled the para** on the recommendation of Audit.

**206.            Para No.88 Pages 62 & 63 of Audit Report for the year 1998-99; Excess payment of Rs.405,928/-.**

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**11.12.2003**     The Department explained that full recovery had been effected and verified by Audit.

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

**207.            Para No.89 Page 63 of Audit Report for the year 1998-99; Excess payment of Rs.174,232/-.**

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**11.12.2003**     The Department explained that on the direction of the PAC, on a para of similar nature, the matter was referred to the Standing Rate Committee(SRC). The SRC in its meeting held on 12.9.02 had unanimously decided that rate of earthwork for making embankment by reusing the earth obtained from regular excavation viz-a-viz compaction had been correctly applied and the payment was correctly made to the contractor.

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

**208.            Para No 90 Page 64 of Audit report for the year 1998-99; Non**



## **Recovery of Rs.250,000/- .**

**1.2.2005** Audit had pointed out that Highway Division Khanewal did not recover Rs.250,000/- from 25 industrial units, who had constructed structures on approach roads on Government land contrary to Secretary Communication & Works Department order dated 28<sup>th</sup> October 1997.

The department explained that the Notification issued for recovery of Rs.10,000/- per annum on the industrial units for using the facility of approach road through right of way (ROW) had been withdrawn by the Government vide notification dated 21.7.2000.

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

### **209. Para No.91 Pages 64 & 65 of Audit Report for the year 1998-99; Excess payment of Rs.699,954/-.**

**11.12.2003** The Department explained that the para related to three Advance Paras:

1. AP No.1/98-99 for	Rs.349780/-
2. AP No.1(B)/98-99 for	Rs.125558/-
3. AP No.1(C)/98-99 for	Rs.224616/-

Total	= Rs.699954/-
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And total recovery had been made vide M.B No.60 page 159, MB No.95 page 50 and MB No.2772 Page 172. The record was with Audit for verification.

Audit pointed out that regarding AP No.1, record had been verified, AP No.I(B) no record had been produced and AP No.1(C): partial recovery had been verified.

The PAC directed that the relevant record may be got verified by Audit by 13.12.2003.

On 13.12.2003 Audit stated that:-

1. AP No.1/(A), the measurement had been verified and found correct and recommended it for settlement.

2. AP No.1(B):, the record had been verified. It may be settled.

3. AP No.1(C): the record had been verified and recommended it for settlement..

The Committee decided to **settle the para** on the recommendation of Audit.

**210. Para No.92 Page 65 of Audit Report for the year 1998-99;  
Overpayment of Rs.140,382/-.**

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**15.12.2004** The Department explained that the para comprised three parts:-

- i) The excess payment amount to Rs.16,004/- pertaining to construction of road had been recovered and verified by Audit.
- ii) Out of total recovery of Rs.50,693/-, a sum of Rs.43,107/- had been verified by Audit and balance amount of Rs.7,586/- had also been recovered from the contractor which could be verified.
- iii) In case of construction of road from Hayal to Domeli, no overpayment was involved because the item of work “making embankment in feeling” was not paid to the contractor. The payment was made only for earth work in very hard soil in cutting and the road crush was never deducted from cutting of soil.

The Committee pended the para with the direction that the record be got verified till 30.12.2004.

The **para was kept pending.**

**211. Para No.93 Pages 65 & 66 of Audit Report for the year 1998-99;  
Excess payment of Rs.76,106/-.**

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**13.12.2003** The Audit had pointed out that the Division did not deduct the quantity of old road edging in the widened portion of roads from the quantity of sub-base course paid to the contractor.

The Department explained that total recovery had been effected and final bill had been produced to Audit for verification.

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

**14.12.2004** The Department explained that total recovery had been effected/adjusted vide TE No.2 and final bill/TE were available for verification by Audit.

The para was kept pending for verification of relevant record by 30.12.2004.

On 15.12.2004 Audit stated that record had been verified and recommended the para for settlement.

The para was settled.

**212. Para No.94 Page 66 of Audit Report for the year 1998-99; Excess payment of Rs.838,460/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

On recommendation of Audit, the para was settled.

**213. Para No.95 Page 67 of Audit Report for the year 1998-99; Loss of Rs.2,232,690/-.**

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**13.12.2003** Audit pointed out that Road construction Division Lahore splited up a work into three groups and accepted the tenders of the pre-qualified contractor without advertisement in the newspaper at higher rates. After verification of record, it had been proved that the tenders were accepted beyond the permissible limit of 4.5% over TS Estimate.

The Administrative Department explained that the tenders were issued only to the pre-qualified contractors through registered cover letter under the rules. No irregularity was involved. The rates quoted by the lowest contractor were above than the permissible but rates were workable and in accordance with the prevailing market rates. Hence the work being of emergent nature the contingency of the work was utilized by competent authority while accepting the tenders. Therefore, the rates allowed were not excessive.

The Committee directed the Department that record be got verified by the Audit and condonation of accepting tenders beyond 4.5% be sought from the Finance Department. Responsibility be fixed and action be taken under the rules.

The para was kept pending.

**14.12.2004** The Department explained that a case for condonation of the matter had been submitted to the higher authorities and was still under consideration.

The para was accordingly kept pending.

**214. Para No.96 Pages 67 & 68 of Audit Report for the year 1998-99; Loss of Rs.12,554,890/-.**

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**12.12.2003** The Department explained that the Chief Minister Punjab was fully competent to relax all the rules and therefore, the work was rightly awarded to the contractor firm selected by the Highways Division Rawalpindi and there was no loss involved to the Government.

The Committee was convinced with the Department and **settled the para.**

**215. Para No.97 Page 68 of Audit Report for the year 1998-99; Non-recovery of Rs.90,000/-.**

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**12.12.2003** The Department explained that earlier it was notified by the C&W Department to recover the annual rent of approach roads to industries and in compliance of which the rent was recovered from the industrial units concerned but later on through another notification the previous notification was withdrawn. As a result of it, already imposed annual rent was also withdrawn. Therefore, the question of non-recovery from the industrial units did not arise.

The Committee was satisfied with the departmental explanation and **settled the para.**

**216. Para No.99 Pages 69 & 70 of Audit Report for the year 1998-99; Overpayment of Rs.87,059/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**217. Para No.100 Page 70 of Audit Report for the year 1998-99; Irregular payment of Rs.11,353,441/-.**

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**3.2.2005** Audit had pointed out that non production of record resulted in fictitious payment

of Rs.1,353,441/- to the contractor.

The Department explained that the requisite record along with measurements books were available for verification by the Audit.

The Department was directed to get the record verified by Audit within 30 days and **para was kept pending**

**218.            Para No.101 Pages 70 & 71 of Audit Report for the year 1998-99;  
Loss of Rs.119,471/- to government.**

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**3.2.2005**      Audit had pointed out that acceptance of tender beyond permissible limit resulted in loss of Rs. 119,471/- to government.

The Department explained that the construction of road from Bucheki Kirchpur Road to Pindi Piran to Nankana Sahib via Nabipur Piran was technically sanctioned. The work of the entire scheme was allotted in two groups. The Audit had wrongly objected that the work was allotted beyond 4.5% permissible excess over technically sanction.

The Committee recommended that necessary probe into the issue may be conducted and reported within period of 60 days.

The **para was kept pending**.

**219.            Para No.102 Page 71 of Audit Report for the year 1998-99; Loss of  
Rs.545,370/- to government.**

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**3.2.2005**      Audit had pointed out that violation of Government instructions resulted in loss of Rs.545,370/- to Government.

The Department explained that tenders were accepted within the permissible limit of 4.5%.

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

**220.            Para No.103 Page 72 of Audit Report for the year 1998-99; Non  
recovery of Rs.2,790,000/-.**

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**3.2.2005**      Audit had pointed out that non observance of rules resulted in non-recovery of

Rs.2,790,000/-.

The Department explained that as a result of meeting with the Chief Secretary, Punjab and MD PSO, the issue had been resolved. Two tranche of Rs.15 million had been deposited by the Company.

The Committee observed that there was no fault of any officer. The recovery was in progress, **the para was settled subject to recovery and its verification by the Audit.**

**221.            Para No.107 Pages 74 & 75 of Audit Report for the year 1998-99; Excess payment of Rs.1,266,830/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**222.            Para No.108 Page 75 of Audit Report for the year 1998-99; Excess payment of Rs.56,102/-.**

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**11.12.2003** The Department explained that recovery on account of road crust had since been made from the contractors.

Audit pointed out that recovery had been made after the payment of the final bill which was an irregularity.

The Committee directed that the record be got verified by Audit and if the recovery had been made before the final bill, the para may be treated as settled but if the recovery had been made after the final bill, then the action be taken after fixing responsibility against the defaulters under the rules.

The para was kept pending.

**14.12.2004** The Department explained that recovery had been effected from the security deposit and final bill of the contractors which had been verified by Audit.

Audit stated that facts had been verified.



The **para was accordingly settled.**

**223. Para No.109 Pages 75 & 76 of Audit Report for the year 1998-99; Excess payment of Rs.99,400/-.**

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**2.2.2005** Audit had pointed out that Highway Division Khushab allowed the item sub base in the areas of M- hard rock where it was not needed as per linear plan. The payment for sub base in the M-hard rock area resulted in excess payment of Rs.99,400/-.

The department explained that the sub base course was allowed in accordance with the provisions in the technically sanctioned estimate. As per laboratory report the hardness of shingle gravel material was not in accordance with the specification. The work was executed strictly as per TS. Provision of the sub base course was therefore necessitated in view of laboratory recommendations. There was absolutely no deviation in the provision of sub base course and no overpayment/excess payment was involved. Audit verified the laboratory report during the meeting and recommended the para for settlement. The **para was accordingly settled.**

**224. Para No.110 Pages 76 & 77 of Audit Report for the year 1998-99; Excess payment of Rs.74,574/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**225. Para No.111 Page 77 of Audit Report for the year 1998-99; Non recovery of Rs.563,390/-.**

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**15.12.2004** Audit had pointed out that non-recover/adjustment against the out turn of vehicles.

The Department explained that initially the funds were placed in the PW Misc. advance and later on receipt of adjustment, a sum of Rs.2,218,754/- were cleared and charged to final head of the account and the balance amount of Rs.563,390/- was still lying un-adjusted due to non-availability of funds for which reference had lastly been made to EDO(F&P), Sargodha. It was also stated that on receipt of funds the amount would be adjusted accordingly. However, the out turns of the vehicles along with log books were available for verification.

The **para was kept pending** for verification of record by Audit till 30.12.2004.  
**226. Para No.112 Page 78 of Audit Report for the year 1998-99; Excess payment of Rs.89,325/-.**

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**11.12.2003** The Department stated that total recovery had been effected and could be got verified by the Audit.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004** The Department explained that total outstanding amount had been recovered and record had been verified by Audit.

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

**227. Para No.113 Pages 78 & 79 of Audit Report for the year 1998-99; Excess payment of Rs.873,436/-.**

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**11.12.2003** The Department stated that the MB and other relevant record had been received from the District Government which could be got verified by the Audit. The Department assured that final bill would also be verified by the Audit.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004** The Department explained that deduction of road crust had been made vide the relevant MBs and final bill of the contractors. However, the matter of M/S Adil Traders was being investigated and final bill would be passed after finalization of inquiry.

The **para was kept pending** for necessary action and verification of relevant record by 30.12.2004.

**228. Para No.114 Page 79 of Audit Report for the year 1998-99; Excess payment of Rs.131,077/-.**

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**11.12.2003** The Audit informed that relevant record had been verified.

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

**229. Para No.115 Page 80 of Audit Report for the year 1998-99; Un-due favour/less deduction of security to Rs.606,499/-.**

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**2.2.2005** Audit had pointed out that the Highway Division Mianwali failed to deduct the security deposit as required under memorandum of work clause d (i) of contract Agreement. Less deduction of security deposit resulted in un-due favour to contractor Rs.606,499/-.

The department explained that the scheme had been finalized since long. No recovery was outstanding. Securities had also been refunded accordingly.

The committee **settled the para** subject to warning on record to the responsible officer / official.

**230. Para No.116 Pages 80 & 81 of Audit Report for the year 1998-99; Excess payment of Rs.104,928/-.**

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**2.2.2005** The separate payment for four feet earthen shoulder in the embankment resulted in excess payment.

The department explained that earth work on embankments taken in this estimate included earthen shoulders along road edging which clearly indicated that the rate for the earth work on earthen shoulders did not include in the item "Road Edging" more over the estimate was prepared and work got executed strictly in accordance with standard P.W specification for roads and bridges construction.

The department further explained that road edging was a separate item and the earthen shoulder was a separate item and both the items had been paid separately.

The explanation of the department was accepted by the committee and **para was settled.**

**231. Para No.117 Page 81 of Audit Report for the year 1998-99; Excess payment of Rs.41,828/-.**

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**2.2.2005** Audit had pointed out that non-imposing of reduction factor and excess quantity of stone pitching resulted in excess payment of Rs.41,828/- in Mianwali Division.

The department explained that stone pitching with 6 mile lead already existed in the TS estimate/ A.A. No excess payment had been made.

The explanation of the department was accepted by the Committee and **para was settled.**

**232.            Para No.118 Page 82 of Audit Report for the year 1998-99; Excess payment of Rs.313,321/-.**

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**2.2.2005**        Audit had pointed out that the payment for road crust without making/laying earth embankment resulted in excess payment of Rs.313,321/- in Highways Division, Mianwali.

The Department explained that earth work was not executed as it was a hilly area. There was no question of base or sub base.

The Department was directed to effect balance recovery. The **para was settled subject to verification of record by Audit.**

**233.            Para No.119 Pages 82 & 83 of Audit Report for the year 1998-99; Excess payment of Rs.220,648/-.**

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**3.2.2005**        Audit had pointed out that non deduction of road crust and structure etc. resulted in excess payment of Rs.220, 648/-.

The Department explained that earth work payment was not deducted on account of the road crust at the time of payment to the contractor. Later on, the recovery had been effected and record got verified by the Audit.

The finance department pointed out that such type of deductions was normal routine in the Department. Therefore, the deduction should have been made by the concerned at the time of making payment to the contractor. This practice must be stopped. The concerned may be warned for the lapse.

The Committee **settled the para** with the direction that the concerned be warned to be careful in future.

**234.            Para No.120 Page 83 of Audit Report for the year 1998-99; Excess payment of Rs.141,091/-.**

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**3.2.2005**        Audit had pointed out that non deduction of road crust from earth with embankment resulted in excess payment of Rs.141,091/-.

The Department explained that total excess payment came to Rs.2,374/- and the same

had been recovered from the contractor and adjusted in the monthly account for the month of 10/04.

The Finance department observed that warning should be issued to the concerned for the lapse.

The Committee **settled the para** with the direction that the concerned be warned to be careful in future.

**235.            Para No 121 Page 83 of Audit report for the year 1998-99; Excess Payment of Rs.57,003/-**

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**1.2.2005**        Audit had pointed out that in Highway Division Sahiwal payment was made to the contractor without deducting cost of dismantled material obtained. Non-deduction of cost of dismantled material resulted in excess payment of Rs.57,003/-.

The department explained that the full recovery had been effected.

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

**236.            Para No 122 Page 84 of Audit report for the year 1998-99; Loss due to less deduction of income tax Rs.585,502/-**

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**1.2.2005**        Audit had pointed out that Highway Division Sahiwal income tax was deducted from various contractors @ 3% instead of specified rate of 5% on account of the payment made to the contractor for work done. The less deduction of income tax resulted in loss of Rs.585,502/- to Government.

The EDO, Sahiwal explained that as per income tax statement, the contractor had deposited the entire amount.

Audit verified the record during the meeting and recommended the para for settlement.

The **para was accordingly settled**.

**237.            Para No 123 Page 85 of Audit report for the year 1998-99; Non Recovery of Rs.598,400/- on account of rent of petrol pumps.**

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**1.2.2005**        Audit had pointed out that Highway Division Sahiwal recovered lease money from petrol pumps installed along Highway approaches @ Rs.600/- instead of Rs.5,000/- per year as

enhanced w.e.f. 1st July 1990. Less recovery of lease money resulted in non recovery of Rs.598,400/-.

The department explained that as a result of a meeting with the Chief Secretary, Punjab and MD PSO, the issue had been resolved. Two tranche of Rs.15 million had been deposited by the Company.

The Committee observed that there was no fault of any officer. The recovery was in progress, the **para was settled subject to recovery and its verification by Audit.**

**238.            Para No.124 Pages 85 & 86 of Audit Report for the year 1998-99;  
Non-recovery of Rs.101,309/-.**

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**11.12.2003**    The Department explained that according to site situation the work had been done within the estimated provisions and no recovery was involved:-

The Department was directed to get the record verified by Audit on 13.12.2003.

On 13.12.2003 Audit pointed out that the record had been verified and recommended the para for settlement.

The Committee **settled the para.**

**239.            Para No.125 Page 86 of Audit Report for the year 1998-99;  
Unjustified payment of Rs.86,343/-**

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**15.12.2004**    Audit had pointed out that earth work was paid after laying road crust/metalled portion without recording measurements.

The Department explained that the quantity was dismantling not the earth work and comprised two separate items and record entry existed in the relevant MB and no earth work was laid after laying road crust.

However, the Committee was not satisfied with the departmental explanation and directed that an inquiry should be conducted into the matter and be completed within 90 days under intimation to PAC.

The **para was kept pending.**

**240.            Para No.126 Pages 86 & 87 of Audit Report for the year 1998-99;**



**Excess payment of Rs.114,954/-**

**15.12.2004** Audit had pointed out that enhanced quantity of base course resulted in excess payment.

The Department explained that no quantity was enhanced, it was rather reduced from 19125 cft. paid as lump sum in the first instance vide MB No.358, however, the same was withheld and payment of only 5886 cft. was made after detailed measurements which was well within the provisions of the estimate.

Audit stated that department did not produce any record in support of its contention.

The **para was kept pending** for verification of relevant record by Audit till 30 December 2004.

**241. Para No.127 Page 87 of Audit Report for the year 1998-99; Non recovery of Rs.130,000/-**

**15.12.2004** Audit had pointed out that the Department failed to recover the rent from industrial units.

The Department explained that DC Bhakkar had been requested to effect recovery from the mill owners and subsequent reminders were also issued for the purpose. However, the Government had withdrawn the notification dated 10.9.1997 regarding collection of rent. As such no recovery was outstanding.

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

**242. Para No.128 Page 88 of Audit Report for the year 1998-99; Excess Payment of Rs.384,957/-**

**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**243. Para No.129 Pages 88 & 89 of Audit Report for the year 1998-99; Excess payment of Rs.698,757/- due to less recovery of income tax.**

**15.12.2004** Audit had pointed out that less deduction of income tax had resulted in less recovery of Government dues.

The Department explained that total recovery had been verified by Audit and some further record was required by Audit which would be produced at the earliest.

The **para was kept pending** for verification of relevant record by 30.12.2004.

**244.            Para No.130 Page 89 of Audit Report for the year 1998-99; Loss of Rs.1,239,453 to government.**

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**13.12.2003** The Department explained that the item of work had been executed according to the site requirements. Therefore, there was no loss to Government.

The Committee directed the Department to get the record verified by the Audit.

The para was kept pending.

**14.12.2004** The Department explained that the para comprised two advance paras. In case of AP No.31, Departmental contention had been verified by Audit. Whereas in case of AP No.32, recovery on account of imbalance rates including earth work had been effected and recovery of income tax was not justified.

The Committee accepted the departmental explanation and **settled the para.**

**245.            Para No.132 Pages 90 & 91 of Audit Report for the year 1998-99; Excess payment of Rs.325,000/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**246.            Para No.133 Page 91 of Audit Report for the year 1998-99; Excess payment of Rs.192,805/-.**

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**12.12.2003** Audit verified the Comparative Statement submitted by the Department in respect of quantities paid for certain items.

On recommendation of Audit, the **Committee settled the para.**  
**247.            Para No.134 Pages 91 & 92 of Audit Report for the year 1998-99; Excess payment of Rs.130,407/-.**

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**15.12.2004**    Audit had pointed out that excessive measurements resulted in excess payment to the contractor.

The Department explained that earth work done had been recorded in the MB, however, the quantity of earth work was erroneously missed while preparing CC 9<sup>th</sup> and running bill which was carried over in CC 10<sup>th</sup> & running bill. The accounts of the contractor had been finalized as per technical sanction.

The Audit contented that no record was produced for verification by the Department.

The **para was kept pending** with the direction that Department should provide the relevant record by 30.12.2004.

**248.            Para No.135 Page 92 of Audit Report for the year 1998-99; Over payment of Rs.180,097/-**

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**3.2.2005**            The Department explained that in the above mentioned para Mr Muhammad Ashraf, XEN was incumbent and he had absconded abroad.

The Committee observed huge embezzlement made by the XEN and other staff. The department was directed to conduct a fact finding inquiry into the matter to be finalized within 60 days.

The **para was kept pending.**

**249.            Para No.136 Page 93 of Audit Report for the year 1998-99; Excess Payment of Rs.589,326/-**

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**3.2.2005**            The Department explained that in the above mentioned para Mr Muhammad Ashraf, XEN was incumbent and he had absconded abroad.

The Committee observed huge embezzlement made by the XEN and other staff. The department was directed to conduct a fact finding inquiry into the matter to be finalized within 60 days.

The **para was kept pending.**

**250.            Para No.137 Pages 93 & 94 of Audit Report for the year 1998-99;  
Excess Payment of Rs.233,310/-**

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**3.2.2005**        The Department explained that in the above mentioned para Mr Muhammad Ashraf, XEN was incumbent and he had absconded abroad.

The Committee observed huge embezzlement made by the XEN and other staff. The department was directed to conduct a fact finding inquiry into the matter to be finalized within 60 days.

The **para was kept pending.**

**251.            Para No.138 Page 94 of Audit Report for the year 1998-99; Excess  
Payment of Rs.269,617/-**

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**3.2.2005**        The Department explained that in the above mentioned para Mr Muhammad Ashraf, XEN was incumbent and he had absconded abroad.

The Committee observed huge embezzlement made by the XEN and other staff. The department was directed to conduct a fact finding inquiry into the matter to be finalized within 60 days.

The **para was kept pending.**

**252.            Para No.139 Pages 94 & 95 of Audit Report for the year 1998-99;  
Excess payment of Rs.61,364/-.**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**253.            Para No.140 Pages 95 & 96 of Audit Report for the year 1998-99;  
Excess payment of Rs.305,265/-.**

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**13.12.2003**    Audit pointed out that the record had been verified.

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

**254.            Para No.141 Page 96 of Audit Report for the year 1998-99; Excess payment of Rs.516,180/-.**

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**13.12.2003**     Audit pointed out that the Highway Division of Lahore measured and paid quantities of the height of the embankment more than admissible for a road with a slop of 1:2.

The Administrative Department explained that the item of work in question had been provided in revised TS estimate which was sanctioned by the Competent Authority.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004**     The Department explained that due to change of height of embankment for the work W/I of Raiwing Sundar Road, excess measurement had resulted and the item-wise provided in the revised TS estimate technically sanctioned by the competent authority.

The para was kept pending for verification of relevant record by 30.12.2004.

On 15.12.2004 Audit stated that record had been verified and recommended the para for settlement.

The **para was settled.**

**255.            Para No.142 Pages 96 & 97 of Audit Report for the year 1998-99; Excess payment of Rs.1,009,474/-.**

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**13.12.2003**     Audit pointed out that Highway Division Lahore got approved the provision of 6" base course in the original/revised technical sanction by executed/paid the item upto 9.375' thick involving more than 50% variation.

The Department explained that the excessive quantities paid were provided in revised T.S. estimate which was sanctioned by the competent authority. No overpayment was made to the contractor.

The Committee settled the para subject to verification of record by the Audit.

**14.12.2004** The Department explained that excessive quantity of base course had been provided in revised TS estimate duly sanctioned by the competent authority. However, Audit stated that record was not produced for verification.

The **para was kept pending** for verification of relevant record by 30.12.2004.

**256. Para No.143 Page 97 of Audit Report for the year 1998-99; Excess payment of Rs.69,993/-.**

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**12.12.2003** The matter of increase in thickness in overall measurement had been reconciled by the Department and Audit.

As a result of reconciliation, Audit recommended the para for settlement.

The **para was settled accordingly.**

**257. Para No.144 Page 98 of Audit Report for the year 1998-99; Excess payment of Rs.65,120/-.**

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**3.2.2005** Audit had pointed out that excessive measurements resulted in excess payment of Rs.65,120/- to the contractor.

The Department explained that the work was executed according to the technical sanction. The scope of work provided for reconstruction of road after raising in a stretch of 1500 Rft in Km No. 78 and 79 of Sheikupura-Sargodha road.

On the statement of EDO Sheikhpura that there was no excess or irregular payment, the committee decided to **settle the para**

**258. Para No.145 Pages 98 & 99 of Audit Report for the year 1998-99; Excess payment of Rs.68,715/-.**

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**3.2.2005** Audit had pointed out that deviation from contract agreement resulted in excess payment of Rs.68,715/- to the contractor.

The Department explained that excess quantity had been covered in the revised T.S estimate. After rectifying excess payment, Rs.16,547/- had been adjusted and credited to the Government Treasury. The relevant record had also been verified by audit.

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



**259.            Para No.146 Page 99 of Audit Report for the year 1998-99; Excess payment of Rs.1,368,542/-.**

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**3.2.2005**        Audit had pointed out that deviation from technically sanctioned estimate resulted in excess payment of Rs.1,368,542/-to the contractor.

The Department explained that revised T.S estimate regarding excess measurement had been accorded by the competent authority.

**The para was settled subject to verification of revised T.S by audit.**

**260.            Para No.147 Page 100 of Audit Report for the year 1998-99; Excess payment of Rs.1,110,415/-.**

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**3.2.2005**        Audit had pointed out that excessive measurements resulted in excess payment of Rs.1,110,415/- to the contractor.

The Department explained that final payment of G-IV of construction of Sheikhpura By Pass road had been made adjusted strictly conforming to provision of the revised technical sanction. No excess payment was made. Each and every quantity was covered under the T.S.

**The para was settled subject to verification of revised T.S estimate by Audit.**

**261.            Para No.148 Pages 100 & 101 of Audit Report for the year 1998-99; Excess payment of Rs.57,264/-.**

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**3.2.2005**        Audit had pointed out that excessive measurement resulted in excess payment of Rs.57,264/- to the contractor.

The Department explained that each and every quantity was covered under revised T. S estimate. No excess payment had been made

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

**262.            Para No.149 Page 101 of Audit Report for the year 1998-99; Over payment of Rs.174,986/-.**

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**3.2.2005** Audit had pointed out that deviation from estimate resulted in overpayment of Rs.174,986/- to the contractor.

The Department explained that final bill had not yet been finalized. As the first contractor had absconded, the work was being done by second contractor on risk and cost.

The item was within T.S estimate. Audit had verified the quantities and found within T.S estimate.

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

**263. Para No.150 Page 102 of Audit Report for the year 1998-99; Excess payment of Rs.259,290/-.**

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**3.2.2005** Audit had pointed out that excessive measurements resulted in excess payment of Rs.259,290/- to the contractor.

The Department explained that the relevant record had been verified by the Audit.

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

**264. Para No.152 Page 103 of Audit Report for the year 1998-99; Excess payment of Rs.340,812/-.**

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**2.2.2005** Audit had pointed out that measurement of excess thickness of base course resulted in excess payment of Rs.340,812/-.

The department explained that the requisite record had been verified and accepted by the Audit.

The departmental contention was supported by the Audit, therefore, the committee decided to **settle the para**.

**265. Para No.153 Page 104 of Audit Report for the year 1998-99; Excess payment of Rs.65,523/-.**

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**3.2.2005** Audit had pointed out that the payment for excess quantities was resulted in excess payment of Rs.65,523/-.

The Department explained that the road from Musakhel Swance Paikhel road to Pul Phatu Wala was completed/constructed for 1245 rft. in the public interest. No excess payment was made.

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

**266. Para No.154 Pages 104 & 105 of Audit Report for the year 1998-99;  
Over payment of Rs.124,768/-.**

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**2.2.2005** Audit had pointed out that a Division made separate payment for PVC embodied in the reinforced cement concrete RCC in contravention of roads and bridges 1971 section 701-17 which provided that rate shall be full compaction for all the work specified in this section and shall include all forms, false work, joints, weep holes, drain pipe ,conduits bearing pads, etc. It should not be constructed include cost of all PVC pipes accommodating cables etc.

The Administrative department explained that reference quoted by Audit to the specification of roads and bridges, 1971 section 701-17 was incorrect as the PVC pipes were not embedded in the concrete which had laid under the removable slab of wheel guard. Separate item of PVC pipe had been taken in the estimate and technical sanction had also been accorded accordingly. No excess payment was made.

The Finance Department observed that Audit may circulate instructions to its staff that such objections may not be raised in future.

The **para was settled** with the direction to the Audit to circulate instruction as pointed out by the Finance Department.

**267. Para No.155 Pages 105 & 106 of Audit Report for the year 1998-99;  
Over payment of Rs.254,542/-.**

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**2.2.2005** Audit had pointed out that over payment was made regarding the construction of 2<sup>nd</sup> over Head bridge at Sahiwal to the M/S Sarwar & Co.

The Administrative department explained that reference quoted by Audit to the specification of roads and bridges, 1971 section 117 was incorrect as the PVC pipes were not embedded in the concrete which had laid under the removable slab of wheel guard. The Separate item of PVC pipe had been taken in the estimate and technical sanction had also been accorded accordingly. No excess payment was made.

The Finance Department observed that Audit may circulate instructions to its staff that such objections may not be raised in future.

The **para was settled** with the direction to the Audit to circulate instructions as pointed out by the finance department

**268. Para No.156 Pages 106 & 107 of Audit Report for the year 1998-99;**

### **Over payment of Rs.664,981/-.**

**11.12.2003** The Department explained that the work was allotted to the contractor on item tendered rate; keeping in view the over all excess i.e. 4.5% over the TS estimate as permissible under Delegation of Powers Rules.

Audit pointed out that the Department may provide original record i.e. TS estimate, AA, DNIT, comparative statement, rejected tender and acceptance letter for verification.

The Committee kept the para pending for verification of record by Audit till 13.12.03.

On 13.12.2003 Audit pointed out that the record was checked and it was found that tenders were called without TS estimate.

The Department admitted that the technical estimate was sanctioned on 7th March 1998 and acceptance order was issued much before on 19.2.1998

The Committee took serious notice of this irregularity and directed that disciplinary action should be taken against the defaulters within 3 months and the irregularity be got regularized by Finance Department.

The para was kept pending.

**14.12.2004** The Department explained that as per decision of PAC dated 11-13 December 2003, disciplinary action against the responsible Executive Engineer was under process and the matter for regularization of the expenditure had been referred to the competent authority.

The para was kept pending.

### **269. Para No.157 Page 107 of Audit Report for the year 1998-99; Excess payment of Rs.335,937/-**

**15.12.2004** Audit had pointed out that payment for earth work after laying road crust had resulted in excess payment.

The Department explained that earth work in question was not for the embankment of road, it was for lying on berms. After completion of sub-base, base and triple surface treatment, as such no excess payment was made.

The para was kept pending for verification of relevant record by 30.12.2004.

**270.            Para No.158 Pages 107 & 108 of Audit Report for the year 1998-99; Excess Payment of Rs.616,262/-**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**271.            Para No.159 Page 108 of Audit Report for the year 1998-99; Excess payment of Rs.92,809/-.**

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**15.12.2004**    Audit had pointed out that non-deduction of earthen shoulder from the quantity of embankment had resulted in excess payment.

The Department explained that earthen shoulders were provided due to site requirements for erecting bricks in position and the item appeared in the BOQ and specifications of agreement. Hence recovery pointed out by Audit was unjustified.

Audit stated that no record was produced by the Department in support of its contention.

The **para was kept pending** for verification of relevant record by 30.12.2004.

**272.            Para No.160 Page 109 of Audit Report for the year 1998-99; Excess payment of Rs.279,013/-.**

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**15.12.2004**    Audit had pointed out that the Department paid for price variation against the quantities of items for which secured advance was allowed.

The Department explained that payment was made in accordance with the rules and agreement and in case of one contractor, the payment for Rs.88,250/- was withheld and only an amount of Rs.9,781/- was paid on account of price valuation.

In case of the other contractor, payment for Rs.88,250/- was withheld and actual payment of Rs.92,732/- was made to the contractor. The Department requested that para may be

reduced to the extent of aforesaid amount.

The **para was kept pending** for verification of departmental contention by Audit till 30.12.2004.

**273.            Para No.163 Page 111 of Audit Report for the year 1998-99; Loss of Rs.878,570/- to government.**

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**3.2.2005**        Audit had pointed out that non execution of work carrying low rate resulted in loss of Rs.1,368,542/- to Government.

The Department explained that since the area for borrowing earth from the private land owners for making embankment for item was not forthcoming, the execution of this item got delayed. The balance item of work was subsequently carried out by the contractor but the payment had been delayed due to paucity of funds. The quantity would be shown up in the final bill of the contractor.

The Department was directed to get the requisite record verified by the Audit within 60 days. The **para was kept pending**.

**274.            Para No.164 Pages 111 & 112 of Audit Report for the year 1998-99; Non recovery of Rs.764,034/-.**

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**3.2.2005**        Audit had pointed out that non execution of low rate items as per agreement/ technically sanctioned estimate resulted in over payment of Rs.764,034/-.

The Department explained that no excess payment had been made as compared to that in the acceptance letter.

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

**275.            Para No.165 Pages 112 & 113 of Audit Report for the year 1998-99; Excess payment of Rs.3,645,253/-.**

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**3.2.2005**        Audit had pointed out that change of scope of works had resulted in excess payment of Rs.3,645,253/- to the contractors.

The Department explained that the scope of work of Sheikhpura By Pass road was changed.

The Department was directed to probe the matter and report be submitted within 60 days. The **para was kept pending**.



**276.            Para No.166 Page 113 of Audit Report for the year 1998-99;  
Fictitious payment of Rs.822,319/-.**

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**3.2.2005**      Audit had pointed out that recording of fictitious measurements resulted in fictitious payment of Rs.822,319/- to the contractor.

The Department explained that the contractor borrowed machinery from other contractor and the work was completed. The work was done by two different parties in two different groups.

Finance Department observed that the issue needs to be probed.

The Department was directed to probe into the issue and report be submitted within 60 days. The **para was kept pending**.

**277.            Para No.167 Pages 113 & 114 of Audit Report for the year 1998-99;  
Excess payment of Rs.652,585/-.**

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**3.2.2005**      Audit had pointed out that non utilization of dismantled material resulted in excess payment of Rs.652,585/-to the contractor.

The Department explained that recovery of Rs.15,000/- and Rs.12,000/- had been effected. The balance would be recovered soon.

The Department was directed to recover the balance amount within 60 days and **para was kept pending**

**278.            Para No.168 Pages 114 & 115 of Audit Report for the year 1998-99;  
Non recovery of Rs.206,650/-.**

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**15.12.2004**    Audit had pointed out that the Department failed to recover enlistment/renewal fee along with penalty from the contractors.

The Department explained that the enlistment/renewal fee of the contractors had been deposited in their renewal letters issued by the competent authority. Hence no loss had taken place. However, Audit contented that further verification of record was required in the matter.

The **para was kept pending** for verification of record till 30.12.2004.

**279.            Para No.169 Page 115 of Audit Report for the year 1998-99; Non  
recovery of Rs.970,379/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**280.            Para No.170 Pages 115 & 116 of Audit Report for the year 1998-99; Less recovery of Rs.60,600/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**281.            Para No.171 Page 116 of Audit Report for the year 1998-99; Non recovery of Rs.88,920/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**282.            Para No.172 Pages 116 & 117 of Audit Report for the year 1998-99; Non recovery of Rs.588,555/-.**

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**15.12.2004** The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**283.            Para No.173 Page 117 of Audit Report for the year 1998-99; Non recovery of Rs.53,460/-.**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**284.            Para No.174 Page 118 of Audit Report for the year 1998-99; Less recovery of Rs.172,320/-.**

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**15.12.2004**    The Department explained that in the light of Audit observations, necessary actions had been taken and relevant record had been produced to Audit for verification.

Audit verified the statement of the department and recommended the para for settlement.

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

**285.            Para No.175 Pages 118 & 119 of Audit Report for the year 1998-99; Non recovery of Rs.332,110/-.**

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**15.12.2004**    Audit had pointed out that the Department failed to recover secured advance from various contractors.

The Department explained that no deposit of the contractor was available with the Division and recovery could not be effected, however, efforts were in progress for recovery as arrears of land revenue. The Department stated that an inquiry had been ordered into the matter to thrash out the facts.

The **para was kept pending** with the direction that the inquiry be completed within 90 days.

**286.            Para No.176 Page 119 of Audit Report for the year 1998-99; Non-recovery of Rs.878,905/-.**

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**11.12.2003**    The Department stated that as per letter issued by the DG, Accounts Works dated

30.7.01, the para was reduced to Rs.23790/- from Rs.8,78,905/- after verification of record. Actual recovery had been effected from the final bill entered at page 126 to 131 MB No.2772 and adjusted vide TE No.1 dated 14.11.97, accounted in the monthly account of 11/97.

The Department was directed to get the relevant record verified by Audit by 13.12.2003.

On 13.12.2003 Audit pointed out that the Department did not comply with the clauses 60 and 61 of the contract agreement. Clause 60 was regarding forfeiture of security and clause 61 was about completion of work on risk and cost basis. In this case the work was done at risk and cost but the security was not forfeited.

The Department did not agree with the Audit contention and stated no action could be taken under Clause 60 and 61 as the contract had been finalized and the work had been completed and there was no need to forfeit the security of the contractor.

The Finance Department was of the view that one clause could be exercised at a time. The Finance Department supported the view point of the Administrative Department.

The Committee accepted the contention of Finance Department and decided to settle the para.

**287.            Para No.177 Pages 119 & 120 of Audit Report for the year 1998-99;  
Non recovery of Rs.260,730/-.**

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**3.2.2005**      Audit had pointed out that non recovery of Rs.260,730/- from the officers concerned resulted in loss to Government.

The Department explained that the para consists of six parts against which substantial recovery stands effected.

The Committee after detailed discussion decided to settle the para.

The para was settled.

**288.            Para No.178 Page 120 of Audit Report for the year 1998-99; Non-  
recovery of Rs.304,112/-.**

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**12.12.2003**      The Department explained that the security deposit of M/s Amco Engineering Company, available with the department, was more than the amount of recovery to be effected on account of risk and cost. The same had been effected i.e. Rs.261,124/-.

The Committee settled the para subject to verification of the recovery.

**14.12.2004** The Department explained that as per decision of PAC dated 12.12.2003 complete record had been got verified by the Audit.

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

**289.            Para No.179 Page 121 of Audit Report for the year 1998-99; Non-recovery of Rs.85,200/-.**

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**12.12.2003** The Department had to produce the record to Audit for verification in support of the recovery effected.

Audit was satisfied with the record and recommended the para for settlement.

The **para was settled**.

**290.            Para No.181 Page 122 of Audit Report for the year 1998-99; Non recovery of Rs.85,013/-.**

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**15.12.2004** Audit stated that department had not provided any record in support of its contention in respect of the subject para.

The Committee directed the Department to get the record verified by Audit by 30.12.2004.

The **para was kept pending**.

**291.            Para No.182 Pages 122 & 123 of Audit Report for the year 1998-99; Non recovery of Rs.2,478,198/-.**

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**15.12.2004** Audit stated that department had not provided any record in support of its contention in respect of the subject para.

The Committee directed the Department to get the record verified by Audit by 30.12.2004.

The **para was kept pending**.

**292.            Para No.183 Page 123 of Audit Report for the year 1998-99; Non recovery of Rs.8,499,557/-.**

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**3.2.2005**        Audit had been pointed out that non-adjustment of minus bills resulted in non recovery of Rs.8,499,557/- from the defaulting contractors.

The Department explained that the entire amount had already been placed in P.W. Misc: advance against the name of concerned officer/officials. The matter was still under inquiry.

The Committee directed that action be finalized within 60 days and **para was kept pending.**

**293.            Para No.184 Page 124 of Audit Report for the year 1998-99; Loss to government of Rs.28,699,198/-.**

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**3.2.2005**        Audit had pointed out that the allotment of works, without fulfilling the contractual obligations resulted in loss of Rs.28,699,198/-. The earnest money of the contractor was not obtained, Moreover, the department had not taken performance guarantee in shape of bank guarantee at the rate of 10% of the contract price under contract clause 7.

The Department was directed to conduct a fact finding inquiry into the matter to be finalized within 60 days and para was kept pending.

**294.            Para No.185 Pages 124 & 125 of Audit Report for the year 1998-99; Non recovery of Rs.5,519,134/-.**

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**13.12.2003**        Audit pointed out that the total recovery of Rs.5,519,134/- had been verified.

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

**295.            Para No.186 Page 125 of Audit Report for the year 1998-99; Non recovery of Rs.1,828,506/-.**

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**13.12.2003**        Audit pointed out that a Division failed to effect the recovery of hire charges of Asphalt Plant from various contractors.

The Department explained that an amount of Rs.1,376,836/- had been recovered from one contractor while the amounts of Rs.344,596/- and Rs.107,076/- were still outstanding against two contractors.

The Committee directed that the outstanding amount be got recovered within 60



days. If recovery was not effected within the given time, disciplinary action should be taken against the persons responsible for negligence in not receiving the hire charge at appropriate time.

The para was kept pending.

**14.12.2004** The Department explained that partial recovery had been effected and remaining amount was still outstanding specially against M/S Gillan Construction Co. and efforts were being made for balance recovery.

The **para was kept pending for recovery of outstanding dues.**

**296. Para No.187 Pages 125 & 126 of Audit Report for the year 1998-99; Non-recovery of Rs.1,235,511/-**

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**13.12.2003** The Audit pointed out that the total recovery of Rs.1,235,511/- had been verified.

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

**297. Para No.189 Page 127 of Audit Report for the year 1998-99; Non Recovery of Rs.1,767,800/-**

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**3.2.2005** Audit had pointed out that Highway Division, Sheikhpura failed to recover the risk and cost amount from the defaulter contractors since long.

The Department explained that efforts were being made to effect the recovery.

Finance Department observed that the security of Rs.360,437.90 was not sufficient to effect the recovery. A probe was required in the instant case.

The Department was directed to conduct a probe within 60 days and **para was kept pending.**

**298. Para No.190 Pages 127 & 128 of Audit Report for the year 1998-99; Non recovery/adjustment of P.W. advance worth Rs.4,044,909/-.**

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**3.2.2005** Audit had pointed out that non realization of advances resulted in non recovery/adjustment of Rs.4,044,909/-.

The Department explained that due to heavy rains roads and bridges were damaged during year 1992-93. The funds were required to adjust clear the suspense head of account. The Finance department observed that it was a case of excess payments, since the work had been completed; payments had been made; it was the matter of regularization. Besides, the Administrative Department may fix the responsibility as to why the timely budget was not

demanded by the concerned.

The Department was directed to get matter regularized from the finance department after necessary probing and **para was kept pending.**

**299.            Para No.191 Page 128 of Audit Report for the year 1998-99; Non recovery of Rs.130,000/-.**

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**3.2.2005**      Audit had pointed out that Highway Division Mianwali failed to recover the rent from industrial units used the approach roads built on land belonging to Highway Department as per requirements of notification dated 10<sup>th</sup> September 1997.

The Department explained that notification dated 10 September 1997 had been withdrawn vide notification dated 21.7.2000.

The Department was directed to move a case to the Finance Department for withdrawal of notification dated 10 September 1997 with retrospective effect and **para was settled.**

**300.            Para No.192 Pages 128 & 129 of Audit Report for the year 1998-99; Non-recovery of Rs.138,756/-.**

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**11.12.2003**      The Department explained that full recovery had been effected.

The Committee directed that the record be verified on 13.12.2003 by Audit.

On 13.12.2003 the **para was settled** on the recommendation of Audit.

**301.            Para No.193 Page 129 of Audit Report for the year 1998-99; Non recovery of mobilization advance Rs.1.857 million.**

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**11.12.2003**      The Department explained that mobilization advance of Rs.1,737,000/- and interest of Rs.138,006/- had been recovered.

The Committee directed that the record be got verified by Audit by 13.12.2003.

On 13.12.2003 Audit stated that the record could not be verified.

The Committee kept the para pending for verification of record by Audit.

**14.12.2004** The para was discussed in the PAC on 11.12.2003 and kept pending for verification of record by Audit.

The Department explained that mobilization advance had been recovered and verified by Audit.

The **para was accordingly settled.**

**302. Para No.195 Pages 130 & 131 of Audit Report for the year 1998-99;  
Non Recovery of Rs.454,270/-**

**3.2.2005** Audit had pointed out that Highway Division, failed to recover the cost of dismantled bricks and bitumen issued to the contractor.

The Department explained that the recovery of Rs.342,007/- had been effected and verified by the Audit. Efforts were being made to effect the balance recovery of Rs.7,773/-.

The **para was settled subject to balance recovery and its verification by Audit.**

The Committee examined the Accounts of the Education Department in its meetings held on 12.2.2004, 13.2.2004, 14.2.2004, 13.5.2004, 14.5.2004, 15.5.2004, 12.8.2004, 13.8.2004, 3.1.2005, 4.1.2005 and 5.1.2005 and made the following recommendations:-

### **Audit Paras (Civil) for the year 1998-99**

#### **Education Department (Colleges)**

#### **1. Para No.1 Page 9 of Audit Report for the year 1998-99; Embezzlement of Rs.76,000/-**

**13.5.2004** The Department explained that the para had been settled in SDAC meeting held on 8.10.1999 on the ground that the amount was erroneously debited from the College Welfare Fund Account No.854 by bank which was subsequently credited to the relevant account with interest.

On the recommendation of audit, **the Committee settled the para.**

#### **2. Para No.2.2 Pages 8, 9 & 10 of Audit Report for the year 1998-99; Theft of Stores and Sports Material Worth Rs.67,360/-**

Government Zamindara College, Gujrat – Rs.27,100/-

**13.5.2004** The Department explained that the para had been reduced to Rs.27,100/- by SDAC in its meeting held on 30.8.2000 and an inquiry was also conducted. A case was got registered with the local police for the theft, however, the said amount had been deposited into government treasury.

The para was pended till 14-5-2004 for production of inquiry report and report of the action taken against the accused by the department.

The inquiry report was produced on 14.5.2004 which indicated that material was stolen by some students. However, the parents approached the Principal and the requisite amount was deposited into government treasury.

On the recommendation of audit, **the Committee settled the para.**

#### **3. Para No.5.1 Pages 8, 11 & 12 of Audit Report for the year 1998-99;**

## **Misappropriation/Loss of Library Books Amounting to Rs.535,992/-.**

Government Degree College (W), Kasur – Rs.91,978/-

**13.5.2004** The Department stated that the above para was identical in nature. It was explained that instructions about loss of Library books issued in 1981 needed rationalization/review because it was on the basis of these instructions that audit was suggesting recovery four times higher than the original price of books which was quite harsh. The department further stated that it would look into the validity of these instructions, review the whole matter with a view to taking a policy decision in this regard.

Finance Department observed that the matter should also be seen in the context of preservation of rare books. The Administrative Secretary could look into the instructions for reviewing the matter and suggested that all such paras should be pended.

The Committee directed that the Department should look into the matter as suggested by it and submit report to PAC.

The para was kept pending.

**4.1.2005** The Department stated that the recovery of Rs.862/- on account of cost of 115 books had been made and deposited into Government treasury, and seen by the Audit and for the balance of Rs.27,152/-, the case for write off had been sent to the Finance Department. However, decision of the Finance Department was awaited.

The **para was kept pending.**

### **4. Para No.5.3**

Government Islamia College, Gujranwala – Rs.197,542/-

**13.5.2004** The Department stated that the above para was identical in nature. It was explained that instructions about loss of Library books issued in 1981 needed rationalization/review because it was on the basis of these instructions that audit was suggesting recovery four times higher than the original price of books which was quite harsh. The department further stated that it would look into the validity of these instructions, review the whole matter with a view to taking a policy decision in this regard.

Finance Department observed that the matter should also be seen in the context of preservation of rare books. The Administrative Secretary could look into the instructions for

reviewing the matter and suggested that all such paras should be pended.

The Committee directed that the Department should look into the matter as suggested by it and submit report to PAC.

The para was kept pending.

**4.1.2005** The Department explained that credit verification of Rs.53,302/- duly signed by the DAO, Gujranwala had been seen by the Audit. Regarding the balance recovery of Rs.144,200/-, the Department contented that no more recovery from the old students was possible as their library securities had already been confiscated.

The Committee **decided to settle the para subject to balance recovery or write off sanction and verification by the Audit.**

## **5. Para No.5.4.**

Government Islamia College of Commerce, Lahore – Rs.55,463/-

**13.5.2004** The Department stated that the above para was identical in nature. It was explained that instructions about loss of Library books issued in 1981 needed rationalization/review because it was on the basis of these instructions that audit was suggesting recovery four times higher than the original price of books which was quite harsh. The department further stated that it would look into the validity of these instructions, review the whole matter with a view to taking a policy decision in this regard.

Finance Department observed that the matter should also be seen in the context of preservation of rare books. The Administrative Secretary could look into the instructions for reviewing the matter and suggested that all such paras should be pended.

The Committee directed that the Department should look into the matter as suggested by it and submit report to PAC.

The para was kept pending.

**4.1.2005** The Department explained that para had already been recommended for settlement by the SDAC meeting held on 8.10.1999.

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



**6. Para No.5.5.**

Government M.A.O College, Lahore – Rs.26,854/-

**13.5.2004** The Department stated that the above para was identical in nature. It was explained that instructions about loss of Library books issued in 1981 needed rationalization/review because it was on the basis of these instructions that audit was suggesting recovery four times higher than the original price of books which was quite harsh. The department further stated that it would look into the validity of these instructions, review the whole matter with a view to taking a policy decision in this regard.

Finance Department observed that the matter should also be seen in the context of preservation of rare books. The Administrative Secretary could look into the instructions for reviewing the matter and suggested that all such paras should be pended.

The Committee directed that the Department should look into the matter as suggested by it and submit report to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the para had already been discussed in SDAC on 8.10.1999 and recommended for settlement.

**The para was settled subject to verification of record.**

**7. Para No.5.6.**

Government Home Economics College Gulberg, Lahore – Rs.80,800/-

**13.5.2004** The Department explained that as per physical verification of College Library, 404 books issued to staff members had since been received back. Therefore, there was no shortage.

On the recommendation of audit, the **Committee settled the para.**

**8. Para No.5.7.**

Government Islamia Degree College, Kasur – Rs.30,753/-

**13.5.2004** The Department stated that the above para was identical in nature. It was explained that instructions about loss of Library books issued in 1981 needed rationalization/review because it was on the basis of these instructions that audit was suggesting recovery four times higher than the original price of books which was quite harsh. The department further stated that it would look into the validity of these instructions, review the whole matter with a view to taking a policy decision in this regard.

Finance Department observed that the matter should also be seen in the context of preservation of rare books. The Administrative Secretary could look into the instructions for reviewing the matter and suggested that all such paras should be pended.

The Committee directed that the Department should look into the matter as suggested by it and submit report to PAC.

The para was kept pending.

**4.1.2005** The Department explained that balance recovery of Rs.1,165/- had been made and verified by the Audit.

The contention of the Department was supported by the Audit, therefore, the **para was settled.**

**9.            Para No.6 Page 12 of Audit Report for the year 1998-99;  
Misappropriation of the Cost of Chemicals, Etc. Amounting to  
Rs.264,960/-**

**13.5.2004** The Department explained that the store articles were purchased after fulfilling all codal formalities and necessary entries were made in the relevant stock register. It was further stated that the record pertaining to 10 years was involved in this para.

The Committee conditionally settled the para subject to verification of record by audit.

**4.1.2005** The Department explained that store articles were purchased after fulfilling all codal formalities and necessary entries were made in the relevant stock registers.

On the statement of DPI Colleges that there was no irregularity/ misappropriation involved in the para, **the Committee settled the para.**

**10.           Para No.8 Pages 13 & 14 of Audit Report for the year 1998-99;  
Misappropriation of the Cost of Sale of College Prospectus Amounting to**

**Rs.70,740/-**

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**13.5.2004** The Department explained that College Prospectus Fund was purely a private fund and sale proceeds of college prospectus were spent on uplift and welfare of students. As such prospectus income could not be transferred to Government treasury and was not auditable.

Finance Department observed that students funds were not part of Provincial Consolidated Fund and, therefore, did not fall under the preview of Audit. The department concerned should regulate such funds through internal audit or at the most the Audit Department could forward its comments about such funds to the department for appropriate action at their end, but it should not be included in Auditor General's report. The Finance Department would issue fresh instructions for regulating such funds in colleges and other educational institutions.

**The Committee allowed to delete this para from the instant report and referred it to the concerned Administrative Secretary for further action with a view to ensuring necessary check and balance in respect of collection and use of such funds.**

**11. Para No.10 Pages 16 & 17 of Audit Report for the year 1998-99; Overpayment of Pay And Allowances Amounting to Rs.54,751/- During the Period of Extra Ordinary Leave.**

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**13.5.2004** Audit had pointed out that the department did not inactivate computer pay roll of Assistant Professor from the date of grant of EOL.

The Department explained that the actual recovery came to Rs.52,540/- which had been recovered.

On the recommendation of audit, **the Committee settled the para.**

**12. Para No.11 Page 17 of Audit Report for the year 1998-99; Overpayment of Rs.72,212/- Due to Un-Entitled Grant of BS-14 to Oriental Teachers.**

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Government Elementary Teachers Training College Rangeel Pur,  
District Multan-Rs.72,212/-.

**13.5.2004** The Department explained that the teachers in question held degree of "Shahadat-ul-Almia" which was declared equivalent to M.A Arabic vide Notification dated 17.11.1982 and later all M.A. (Arabic) Teachers were allowed BS-14 vide notification dated 26.6.1990.

On the recommendation of audit, **the Committee settled the para.**

**13. Para No.12 Pages 17 & 18 of Audit Report for the year 1998-99; Overpayment of Rs.375,142/- Unlawfully Paid to the Hostel Wardens/ Superintendents on Account of House Rent Allowance.**

**13.5.2004** The Department explained that the Hostel Superintendents were enjoying family accommodation with the approval of the Board of Governors subject to the condition that the department would pay them house rent after deducting the amount of rent assessed by the Buildings Department. After audit objection, the concerned officials had gone to the courts of law and the matter was sub-judice. The Department was pursuing the cases in the courts.

The Committee kept the para pending being sub-judice.

**3.1.2005** The Department explained that hostel superintendents were enjoying family accommodation with the approval of the Board of Governors subject to condition that the Department would pay them house rent after deducting the amount of rent assessed by the Building Department. The Department further stated that the matter was sub-judice.

**The para was kept pending.**

**14. Para No.13 Page 18 of Audit Report for the year 1998-99; Overpayment of House Rent Allowance of Rs.55,104/- Drawn without Entitlement**

**13.5.2004** Audit had pointed out that the Principal drew house rent allowance regularly despite the fact that he was provided with a designated residence.

The Department explained that the residence was declared dangerous by the Buildings Department since 3/96 and was not worth living.

The Committee accepted the explanation of the department and **settled the para.**

**15. Para No.14 Page 20 of Audit Report for the year 1998-99; Non-Maintenance of the Stock Account of Store Articles Purchased Worth of Rs.92,698/-.**

**4.1.2005** Audit had reported that no record of the purchase respecting consumption of store articles was maintained.

The Department explained that all articles purchased were entered in the stock registers according to the prescribed rules and no discrepancy was made.

On the statement of the DPI that no misappropriation/irregularity was involved in this para, **the Committee settled the para.**

**16. Para No.15 Pages 20 & 21 of Audit Report for the year 1998-99; Unauthorized Retention of Government Money Amounting to Rs.288,115/- Out of Matching Grant.**

**13.5.2004** The Department explained that all the grants allocated during the period from 1988 to 1995 were properly utilized on sports and extra curricular activities of the students. It was added that actual expenditure was more than the matching grant, therefore, the question of any unspent balance did not arise.

The Committee accepted the explanation of the department and **settled the para.**

**17. Para No.16 Page 21 of Audit Report for the year 1998-99; Unauthorized Retention Of Government Money Amounting To Rs.115,000/- Representing Matching Grant In General Fund.**

**13.5.2004** The Department explained that the balance of matching grant amounting to Rs.115,000/- had been deposited into the Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**18. Para No.17 Page 23 of Audit Report for the year 1998-99; Loss Of Rs.77,040/- To Government Due To Non-Allotment Of Government Residences.**

**13.5.2004** Audit had pointed out that residential accommodation specifically constructed for lecturers was not occupied by them and they continued to draw House Rent Allowance/ Conveyance Allowance.

The Department explained that College Peoples Colony consisted of 3 single suites which were below the entitlement of grade 17 officers. As there was no boundary wall and area was also inadequate, no lecturer was willing to occupy any suite. Now, after the construction of boundary wall, suites had been allotted.

The Committee accepted the explanation of the department and **settled the para.**

**19. Para No.18 Pages 23 & 24 of Audit Report for the year 1998-99;  
Revenue Not Remitted Into Government Account Amounting To  
Rs.57,339/-.**

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Principal Government College Dhobi Ghat, Faisalabad – Rs.57,339/-

**13.5.2004** The Department explained that the college was declared as an autonomous body w. e.f. 1.7.1990 and the period of fee collections was from 7.7.1990 to 29.11.1990. After grant of autonomous status, all property, movable or immovable, vested in the Board of Governors. As such, the amount had been correctly transferred to Board's main account.

The Committee accepted the explanation of the department and **settled the para.**

**20. Para No.19 Page 27 of Audit Report for the year 1998-99;  
Unauthorized Purchase of Regular Income Certificates Amounting To  
Rs.27,100,000/-.**

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**13.5.2004** Audit had pointed out that the College Principal purchased regular income certificate without obtaining prior approval of the Board of Governors.

The Department explained that the amount was invested after getting the requisite approval. Moreover, under the provisions of Lahore College for Women University Act 1999, the college money could be invested in any of the securities.

On the recommendation of audit, **the Committee settled the para.**

**21. Para No.22 Pages 28 & 29 of Audit Report for the year 1998-99;  
Irregular Expenditure Of Rs.373,700/- On Account Of Local Purchase Of  
Furniture And Sports Material.**

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**13.5.2004** The Department explained that the para was settled by SDAC in its meeting held on 30/31.8.2000 on the ground that entire purchase was made on lowest competitive rates with the approval of the competent authority.

On the recommendation of audit, **the Committee settled the para.**

**22. Para No.23 Page 29 of Audit Report for the year 1998-99; Irregular**



## **Expenditure Of Rs.428,862/-**

**13.5.2004** The Department explained that the amount utilized was within the competency of Principal and the purchase was made by College Purchase Committee after observing all the codal formalities. Income tax had also been deducted leaving balance of Rs.250/- only.

The Committee **conditionally settled the para subject to balance recovery of income tax.**

### **23. Para No.24 Pages 29 & 30 of Audit Report for the year 1998-99; Irregular Purchase Of Furniture Amounting To Rs.80,000/- During Ban**

**13.5.2004** Audit had pointed out that furniture was purchased during the period of ban on the purchase of durable goods imposed by the Finance Department.

The Department explained that the para had been settled in SDAC meeting held on 8.10.1999.

Audit observed that SDAC while settling the para, had not discussed the aspect of the ban.

The Committee conditionally settled the para subject to verification of relevant record by audit justifying the purchase made during ban.

**4.1.2005** The Department explained that all articles purchased were entered in the stock registers according to the prescribed rules and no discrepancy was made.

On the statement of the DPI that no misappropriation/irregularity was involved in this para, **the Committee settled the para.**

### **24. Para No.25.1 Pages 25 & 30 of Audit Report for the year 1998-99; Lapses and Irregularities in Student Funds Amounting to Rs.766,078/-.**

Government Elementary Teachers Training College, Rangeel Pur,  
District Multan-Rs.21,852/-.

**15.5.2004** The Department explained that all the temporary loans granted out of student fund had been adjusted and vouched account was available for verification.

On the recommendation of audit, the **Committee settled the para.**

**25.           Para No.25.2.**

Government College (W) Samanabad, Lahore – Rs.744,226/-

**13.5.2004** The Department explained that the College Magazines were got printed out of students funds after obtaining NOC from the Government Printing Press. As a result of misunderstanding caused by the said NOC, tenders through the press were not called. However, limited tenders were called after getting sanction of expenditure by the Principal/Competent authority. Entries about distribution of College Magazine were made in the stock register. Income tax amounting to Rs.6,999/- was deducted leaving balance recovery of Rs.19,048/-.

The Committee conditionally settled the para subject to regularization/ condonation of non-advertisement of tenders in the press by competent authority and balance recovery of income tax.

**4.1.2005** The Department had contented that the case for regularization was submitted to the Finance Department. Moreover, balance recovery of income tax amounting to Rs.19,048/- had already been effected and deposited into Government treasury and the same had been verified by the Audit.

The contention of Department was supported by the Audit, therefore, **the Committee decided to settle the para.**

**26.           Para No.26.1 Pages 25 & 31 of Audit Report for the year 1998-99; Irregular Expenditure Out Of Student Funds Amounting To Rs.1,379,303/-**

Government College (W), Gujrat – Rs.495,851/-

**13.5.2004** The Department gave necessary justification with respect to various audit observations and explained that the expenditure on the purchase of different items as well as to clear certain liabilities of the department was incurred after obtaining sanction from the competent authority which had been verified by audit.

On the recommendation of audit, **the Committee settled the para.**

**27.           Para No.26.2.**

Government College (W), Gujrat – Rs.161,441/-

**13.5.2004** The Department explained that expenditure was incurred on the purchase of stationery for examinations after observing all codal formalities.

On the recommendation of audit, **the Committee settled the para.**

**28. Para No.26.3.**

Government College (W), Gujrat – Rs.62,620/-

**13.5.2004** The Department explained that the para was duplication of draft para No.26.1 of the instant report and requested for its deletion.

On the recommendation of audit, **the Committee allowed to delete this para.**

**29. Para No.26.4.**

Government College (W), Bhakkar – Rs.82,161/-

**13.5.2004** The Department explained that expenditure was incurred on the purchase of different items from Jail Department and local market for the smooth working of the college after observing all codal formalities.

On the recommendation of audit, **the Committee settled the para.**

**30. Para No.26.5.**

Government College, Mianwali – Rs.70,408/-

**13.5.2004** The Department explained that expenditure was incurred on the printing of answer books after getting approval of College management.

On the recommendation of audit, **the Committee settled the para.**

**31. Para No.26.6.**

Government College, Mianwali – Rs.46,255/-

**13.5.2004** The Department explained that expenditure was incurred on the purchase of certain

items from local market in accordance with the prescribed procedure.

On the recommendation of audit, **the Committee settled the para.**

**32. Para No.26.7.**

Government PST College Kamalia District T.T.Singh– Rs.58,655/-

**13.5.2004** The Department explained that the para was settled by SDAC in its meeting held on 21.7.2001 after verification of facts and deposit of recovery of Rs.58,655/-.

On the recommendation of audit, **the Committee settled the para.**

**33. Para No.26.8.**

Government Islamia College , Kasur – Rs.220,912/-

**13.5.2004** The Department explained that the para had been settled by SDAC in its meeting held on 8.10.1999 subject to deposit of entire amount into General Fund Account which had now been deposited.

On the recommendation of audit, **the Committee settled the para.**

**34. Para No.26.10.**

Government College (W), Bahawalnagar – Rs.15,000/-

**13.5.2004** The Department explained that advances were given to the incharges of the teams out of general funds to meet the expenditure incurred during tournaments/co-curricular activities. The vouched accounts of the same were available for verification.

On the recommendation of audit, **the Committee settled the para.**

**35. Para No.28.1 Pages 26 & 32 of Audit Report for the year 1998-99; Irregular Expenditure Of Rs.32,685/-On the Local Purchase Of Library Books and Fictitious Refund Of Rs.20,950/- From Library Security Fund.**

Government Degree College, Pattoke – Rs.32,685/-

**13.5.2004** The Department explained that the para had been settled in SDAC meeting held on 8.10.1999 on the ground that the books could be purchased according to the standard rates schedule from any book seller in the country without calling tenders. Moreover, due discount had also been obtained from book seller.

On the recommendation of audit, **the Committee settled the para.**

**36. Para No.29 Page 33 of Audit Report for the year 1998-99; Irregular Crediting Of Government Revenue Amounting To Rs.375,152/- To Private Bank Account Instead Of Government Account.**

**13.5.2004** The Department explained that an amount of Rs.139,000/- besides interest accrued thereon had been deposited into relevant account. An amount of Rs.30,079/- had already been deposited into Government treasury on 17.11.1992. The amount of Rs.206,073/- and the interest accrued thereon had also been deposited into relevant account.

The Committee accepted the explanation of the department and **settled the para.**

**37. Para No.31 Pages 26 & 34 of Audit Report for the year 1998-99; Loss to Government Due to Less Recovery of Electricity Charges and its Retention in Private Bank Account Amounting to Rs.67,942/-.**

Government Elementary Teachers Training College Rangeel Pur,  
Multan-Rs.67,942/-.

**15.5.2004** The Department explained that a sum of Rs.31,342/- pertaining to electricity charges fund of students was kept in bank account which was allowed vide Education Department's Notification dated 3.7.1985. Further, as per the said notification, actual rate for collection of electricity charges from the students was Rs.1/- per student per month instead of Rs.11/-.

**The Committee conditionally settled the para subject to verification of relevant record by audit.**

**38. Para No.32 Page 35 of Audit Report for the year 1998-99; Irregular Expenditure On Printing Charges paid to Private Presses Amounting To Rs.123,340/- And Non-Recovery Of Income Tax Amounting To Rs.10,571/-**

**13.5.2004** The Department explained that the para had been settled by SDAC in its meeting

held on 8.10.1999.

On the recommendation of audit, the **Committee settled the para.**

**39. Para No.33 Page 37 of Audit Report for the year 1998-99; Misuse Of Student Funds To the Extent Of Rs.1,514,571/- Including Recovery Of Rs.394,513/-**

**13.5.2004** Audit had pointed out that the expenditure was incurred without observing proper procedure and sanction of the competent authority.

The Department explained that inquiries were conducted at Secretariat level by five different agencies/officers. However, Rs.728,201/- had been deposited in the relevant funds.

The **Committee kept the para pending till 14.5.2004 for the production of inquiry report. However, the para was not discussed on 14.5.2004 and was kept pending.**

**40. Para No.34.1 Pages 36, 37 & 38 of Audit Report for the year 1998-99; Irrational/Wasteful Utilization Of the Financial Resources Amounting To Rs.2,759,204/-**

Government College (W), Rahim Yar Khan – Rs.1,579,200/-

**13.5.2004** The Department explained that since the subject-wise strength of teaching staff was not sufficient to cope with the number of students in each section, the College Principal and other teachers were assigned certain number of periods for teaching classes as per the norms given in the Education code and that no violation of the said code had been committed.

The Audit verified the contention of the Department.

The Committee **settled the para accordingly.**

**41. Para No.34.2.**

Government College (Boys) Liaquatpur District Rahim Yar Khan –  
Rs.1,180,004/-

**13.5.2004** Audit had pointed out that erratic postings of teachers had resulted in wasteful utilization of financial resources.



The Department explained that posting of teachers were made keeping in view the sanctioned strength whereas the strength of the students kept fluctuating. As per record of the college, the timetable was prepared carefully according to the strength of the staff and the students. In addition to teaching assignments, the teachers were assigned other duties pertaining to examinations, sports and extra curricular activities.

The Committee directed the department to provide list of erratic postings in the Province of Punjab by 15.5.2004 and also desired that the Education Minister be requested to attend the meeting of PAC on 15.5.2004.

On 15.5.2004, the Department produced the list of erratic postings and informed the Committee that presently 135 teachers in the Province of Punjab were working against erratic postings.

The Education Minister attended the meeting of the Committee on special invitation on 15.5.2004 and assured the Committee that every direction of PACs would be implemented in letter and spirit. He stated that erratic postings would be done away with in due course.

The Committee directed that the erratic postings in the Education Department should be gradually ended.

The para was settled.

#### **42.            Para No.35.1 Pages 39 & 41 of Audit Report for the year 1998-99; Irregular Expenditure On Civil Works Amounting To Rs.1,125,066/-**

Government College Bosan Road, Multan – Rs.1,081,156/-

**13.5.2004**    Audit had pointed out that civil works were carried out without observing codal formalities.

The Department explained that expenditure was incurred on repair of College building out of College Welfare fund through College Management Committee and the relevant record of the work done was available which was also checked by SDAC on 9.9.1999.

Finance Department observed that College Welfare Fund was not part of Provincial consolidated fund and, therefore, it did not fall within the purview of Audit.

The **Committee as per its decision in para No.8, allowed to delete this para from the instant audit report and referred it to the concerned Administrative Secretary for such action as deemed fit.**

**43.           Para No.35.2.**

Queen Merry College, Lahore – Rs.43,910/-

**13.5.2004**    Audit had pointed out that expenditure was incurred on civil works without observing codal formalities.

The Department explained that the case had been referred to Finance Department for regularization. However, the matter related to Students Welfare Fund.

Finance Department observed that civil work was got done out of College Welfare Fund which was not part of Provincial Consolidated Fund. Hence, the instant para did not fall within the purview of audit. The expenditure incurred could be checked by the Administrative Department and recommended the para for deletion from the present report.

In view of the decision taken about paras of identical nature, **the Committee allowed to delete the para from the instant audit report and referred it to the Administrative Secretary for further action as deemed appropriate.**

**44.           Para No.37.1 Pages 39, 42 & 43 of Audit Report for the year 1998-99; Recovery Of Income Tax Not Effected From Suppliers While making Payments Of Rs.80,523/-.**

Queen Merry College, Lahore – Rs.53,538/-

**13.5.2004**    The Department explained that the entire amount had been recovered and deposited into Government treasury.

On the recommendation of audit, the Committee **settled the para.**

**45.           Para No.37.2.**

Government College Dhobi Ghat, Faisalabad – Rs.26,985/-

**13.5.2004**    The Department explained that the recoverable amount had been deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**46.            Para No.38.1 Pages 39 & 43 of Audit Report for the year 1998-99; Loss Of Government Revenue Worth Rs.526,012/- Due to Non-Recovery Of Canteen Rent.**

Government M.D College (W), Gojra, District T.T. Singh – Rs.65,040 /-

**13.5.2004**    The Department explained that prior to July 1999, there was no proper canteen in the College and a wooden Khokha which was used as Canteen was given on rent @ Rs.100/- p.m. and later @ Rs.160/- p.m. uptill 31.12.1999. In 1999, Canteen was shifted to a room consisting of two portions which was auctioned for Rs.50,000/- per annum. Thus Government had not sustained any loss.

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

**47.            Para No.38.2.**

Government Home Economics College, Lahore – Rs.272,349/-

**13.5.2004**    The Department gave detailed explanation about this para and stated that necessary recovery was effected from the contractor and deposited into Government treasury.

During the meeting, audit recommended the para for settlement.

The **Committee settled the para accordingly.**

**48.            Para No.38.3.**

Government College (W), Burewala District Vehari – Rs.24,000/-

**13.5.2004**    The Department explained that para was based on presumption because no canteen existed in the College building. A certificate had been obtained from Buildings Department supporting the contention of the Department.

The Committee accepted the explanation of the department and **settled the para.**

**49.            Para No.38.4.**

Government College (W), Kasur – Rs.81,023/-

**13.5.2004** The Department explained that in compliance with SDAC direction, inquiry was conducted. As per inquiry report, instructions regarding auction of canteen were received in July 1998 and canteen was auctioned for the period from 1998-2001.

The Committee accepted the explanation of the department and **settled the para.**

**50. Para No.38.5.**

Queen Merry College, Lahore – Rs.83,600/-

**13.5.2004** The Department explained that recoverable amount was Rs.237,600/- instead of Rs.235,600/- which was recovered. However, in compliance with the directions of SDAC, the entire amount was withdrawn from the college account and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**51. Para No.39.1 Pages 39, 43 & 44 of Audit Report for the year 1998-99; Recovery Of Rs.2,001,795/- On Account Of House Rent Allowance/ Conveyance Allowance Etc. Paid Without Entitlement And Non-recovery Of House rent Etc.**

Government College, Gujranwala – Rs.203,508/-

**13.5.2004** The Department explained that the concerned officer namely Ch. Zafarullah Khan who had been living in the Government accommodation since November 1994 had been directed to vacate the said residence and to deposit the said amount into Government treasury immediately. The DAO Gujranwala had also been requested to withhold the pay of the said officer.

The Committee directed that the department should recover the amount and also take disciplinary action against the officer for submitting bogus certificate to DAO for drawal of HRA under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the concerned officer namely Ch. Zafar Ullah Khan

who had been living in the Govt. accommodation since November 1994 had been directed to vacate the said residence and to deposit the amount into Government treasury immediately.

The Department was directed to complete the necessary action, at the earliest. The para was kept pending.

**30.8.2005** Later on a representation dated 2 June 2005 was received from Mr Zafarullah Khan, Assistant Professor, Government College, Gujranwala which was forwarded to the Education Department vide Assembly Secretariat letter dated 6 June 2005 for verification of the facts stated in the said representation. The Education Department vide its letter dated 11 July 2005 informed that audit had seen/verified the recovery in connection with the Draft Para No.39.1 for the year 1998-99 and has recommended the PAC for settlement of the para. The Audit had in their letter dated 2.5.2005 stated that as a result of re-verification of facts, Mr Zafarullah Khan occupied residence in question w.e.f. 1-12-1998 and since then he is paying rent assessed by the Buildings Department @ Rs.604/- P.M. which had been verified by Audit. As per recommendation of Audit, **the para was settled.**

**52.           Para No.39.2.**

Government Johar College (W) Jauharabad District Khushab –  
Rs.37,800/-

**13.5.2004** The Department explained that the Finance Department had allowed drawal of House Rent Allowance to the College Lecturers residing in the College. Single room accommodation each to two lady lecturers was allotted. The rent @ Rs.250/- p.m. per room was assessed by Buildings Department. The assessed rent was already being paid w.e.f. 1.11.1997 while full rent was paid before assessment.

On the recommendation of audit, **the Committee settled the para.**

**53.           Para No.39.3.**

Government College (W), Bhakkar – Rs.41,733/-

**13.5.2004** The Department explained that the para had been reduced to Rs.34,840/- by SDAC in its meeting held on 7.9.1999 after verification of recovery of Rs.6,893/- with directions to obtain affidavits from the lecturers concerned that they were not availing the facility of

Government accommodation. The requisite affidavits had been obtained.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**4.1.2005** The Department contented that the allottee of two room single suits accommodation had deposited the house rent and 5% charges had also been deducted accordingly. Affidavits from the remaining lecturers had been obtained.

The Committee accepted the explanation of the Department and **decided to settle the para.**

**54. Para No.39.4.**

Government Girls College Burewala, District Vehari – Rs.52,650/-

**13.5.2004** The Department explained that the recoverable amount was Rs.26,100/- instead of Rs.52,650/- because audit had calculated the deduction of rent from the date of appointment instead of date of allotment of residence. A sum of Rs.15,750/- had been recovered leaving balance of Rs.10,350/-.

The Committee conditionally settled the para subject to balance recovery.

**4.1.2005** The Department stated that the recovery of Rs.10,350/- had been effected and verified by the Audit.

The Departmental contention was supported by the Audit, therefore, the **Committee decided to settle the para.**

**55. Para No.39.6.**

Government Murray College, Sialkot – Rs.807,721/-

**13.5.2004** The Department explained that the matter was sub-judice as the proprietary rights of the college premises were to be determined by the court of law.

The Committee kept the para pending being sub-judice.

**4.1.2005** The Department explained that the matter was sub-judice and proprietary rights of the college premises were yet to be determined by the court of Law.



The para was kept pending.

**56.            Para No.40.1 Pages 40 & 44 of Audit Report for the year 1998-99; Recovery Of Rs.1,044,155/- On Account Of Tuition Fee Less Realized/ Embezzled Etc.**

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Government College (W), Samanabad, Lahore – Rs.59,880/-

**13.5.2004**    The Department explained that the entire amount recoverable due to excess fee concession had been realized and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**57.            Para No.40.2.**

Government Degree College (W), Kasur – Rs.13,945/-

**13.5.2004**    The Department explained that para had been settled in SDAC meeting held on 8.10.1999 after verification of deposit of recoverable amount into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**58.            Para No.40.3.**

Government Islamia Degree College, Kasur – Rs.80,010/-

**13.5.2004**    The Department explained that the para had been settled in SDAC meeting held on 8.10.1999 on the ground that Rs.52,740/- had been deposited into Government Treasury. The remaining amount of Rs.27,270/- was not recoverable due to fee concession granted to teachers' sons and brothers. Similarly, dues were not outstanding against those students whose names had been struck off from the College roll.

On the recommendation of audit, **the Committee settled the para.**

**59.            Para No.40.4.**

Government College for Elementary Teachers Chiniot, District Jhang-  
Rs.26,670/-.

**15.5.2004**    The Department explained that hostel fee was raised from Rs.12/- to Rs.60/- per

student per session w.e.f. 9.6.1990. Since the letter of enhancement was not received in the college, the requisite amount was not collected from the students who had now left the college.

The Committee directed the department to get the loss written off by the competent authority.

The para was kept pending.

**60.           Para No.40.5.**

Government College (W) No.1, Okara – Rs.89,000/-

**13.5.2004** The Department explained that the para had been settled in SDAC meeting held on 8.10.1999 after verification of deposit of Rs.63,245/- and the fact that recovery of balance amount of Rs.25,755/- was not due from 70 students as they were granted full fee concession admissible to the daughters of the teachers.

On the recommendation of audit, **the Committee settled the para.**

**61.           Para No.40.6.**

Government F.B Ghousia degree College Faridabad, District T.T. Singh – Rs.23,910/-

**13.5.2004** The Department explained that the recoverable amount was Rs.24,800/- instead of Rs.23,910/- which had been recovered and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**62.           Para No.40.8.**

Government College (W), Wahdat Colony, Lahore – Rs.75,075/-

**13.5.2004** The Department explained that recoverable amount was Rs.96,180/- instead of Rs.75,075/- which had been recovered and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**63.           Para No.40.9.**

Government Kulyat-ul-Banat College, Lahore – Rs.17,205/-

**13.5.2004**     The Department explained that para had been settled in SDAC meeting held on 8.10.1999 after verification of deposit of Rs.17,205/-.

On the recommendation of audit, **the Committee settled the para.**

**64.           Para No.40.10.**

Government Kulyat-ul-Banat College, Lahore-Rs.616,700/-.

**4.1.2005**     Audit had pointed out that tuition fee was less realized because of grant of fee concession beyond permissible limits.

The Department explained that para was kept pending by the SDAC in its meeting held on 8.10.1999 for the production of CVs.

On the statement of the DPI that no misappropriation/irregularity was involved in this para, **the Committee settled the para.**

**65.           Para No.41.1 Pages 40 & 45 of Audit Report for the year 1998-99; Recovery of Rs.179,481/- on Account of Interest on House Building Advance.**

Government College of Education for Science Town Ship, Lahore-  
Rs.142,988/-

**4.1.2005**     Audit had pointed out that recovery on account of interest due against the house building advance was not affected.

The Department explained that an amount of Rs.108,128/- out of the total amount of Rs.142,988/- was outstanding.

The Department was directed to produce certificates from AG office in respect of each incumbent regarding recovery made so far; and, effect the balance recovery at the earliest. **The para was kept pending.**

**66.           Para No.41.2.**

Government Islamia College (W), Lahore Cantt. – Rs.36,493/-

**13.5.2004**    The Department explained that the para had been settled in SDAC meeting held on 8.10.1999 after verification of deposit of entire amount into Government treasury.

On the recommendation of audit, the **Committee settled the para.**

**67.           Para No.42.1 Pages 46 & 47 of Audit Report for the year 1998-99; Record Of Revenue Realized Amounting To Rs.729,913/- Not Produced For Audit.**

Government Kulyat-ul-Banat College, Lahore – Rs. Not assessed

**13.5.2004**    Audit had pointed out that government dues were collected from students in different colleges but the relevant record was not shown to audit.

The Department explained that as per the findings of the probe made into the matter, the record was available and no body was held responsible for the lapse.

During the course of meeting the department requested to keep the para pending for production of requisite record to audit for verification.

On the request of the department, the Committee kept the para pending.

**4.1.2005**    The DPI (Colleges) stated that no misappropriation/irregularity was involved in the para.

On the statement of DPI (Colleges), **the para was settled.**

**68.           Para No.42.2.**

Government College Dhobi Ghat, Faisalabad – Rs.729,913/-

**13.5.2004**    The Department explained that the college was declared as an autonomous body w. e.f. 1.7.1990 and the period of fee collections was from 7.7.1990 to 29.11.1990. After grant of autonomous status, all property, movable or immovable, vested in the Board of Governors. As such, the amount had been correctly transferred to Board's main account.

The Committee accepted the explanation of the department and **settled the para.**

**69.            Para No.43.1 Pages 46, 47 & 48 of Audit Report for the year 1998-99; Record of Auditable Expenditure worth Rs.4,251,561/- Not Produced**

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Government College Dhobi Ghat, Faisalabad – Rs.2,821,527/-

**13.5.2004**    The Department explained the position in detail and stated that the relevant record was available for verification except that the record involving Rs.89,943/75 was not readily traceable which would, however, be produced soon.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**3.1.2005**    The Department explained that the relevant record was available for verification except the record involving Rs.89,943.75 was not readily traceable which would, however, be produced soon.

The Department was directed to produce the requisite record to Audit for verification. The **para was kept pending.**

**70.            Para No.43.2.**

Government College Dhobi Ghat, Faisalabad – Rs.1,346,034/-

**13.5.2004**    The Department explained that entries of payment by book transfer were available for verification. However, no vouchers were involved because these were fee collection amounts which were transferred to various fund accounts. As regards the sum of Rs.34,500/- now pointed out by audit, the same related to purchase of electric gysers and cash voucher was available for verification.

The Committee conditionally settled the para subject to verification of the relevant record by audit.

**3.1.2005**    Audit stated that Department did not produce the cash book to verify the departmental contention.

The Department was directed to produce the requisite record to Audit for verification and the **para was kept pending.**

**71.           Para No.43.3.**

Government Girls College Burewala, District Vehari – Rs.84,000/-

**13.5.2004**     Audit had pointed that record was not produced in respect of expenditure incurred on matching grant.

The Department explained that account of matching grant had been closed by the Government in 1998-99. However, the said amount was utilized on the purchase of sports material after observing all the codal formalities.

Finance Department observed that a para of similar nature had been settled by the Committee. Further, as explained by the Department, the funds had been utilized and the accounts stood closed.

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

**72.           Para No.44 Pages 46 & 48 of Audit Report for the year 1998-99; Record of Account/Deposit of Students Funds Amounting to Rs.65,852/- not Produced.**

Government College for Elementary Teachers Chiniot District Jhang-  
Rs.65,852/-.

**15.5.2004**     The Department explained that Rs.62,112/- were deposited into Government treasury during the year 1991 to 1993. An amount of Rs.3,740/-, which was less deposited had now been deposited into the Bank of Punjab.

The **Committee conditionally settled the para subject to verification of relevant record by audit.**

**73.           Para No.45 Page 50 of Audit Report for the year 1998-99; Irregular Running/Non-Surrendering of Funds Worth Rs.52,236/-.**



Govt. College for Women, Mianwali – Rs.52,236/-

**4.1.2005**      Audit had pointed out that unutilized funds were not surrendered well before the time.

The Department explained that modified grants were released by the Finance Department during June 1998 leaving no time to utilize the grants before the close of financial year 1997-98. The department further explained that the para was discussed in the SDAC meeting held on 7-9-1999 and was recommended for settlement.

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

### **Audit Paras (Civil) for the year 1998-99**

**(Other than Colleges)**

**74.            Para No.1.1 Pages 6 & 9 of Audit Report for the year 1998-99;  
Likely Fraud of Government Funds to the Extent of Rs.5,360,690/- Due to Bogus  
Appointments.**

Deputy District Education Officer (W), Lahore Cantt-Rs.97,936/-.

**4.1.2005**      Audit pointed out that loss was caused due to bogus appointments.

The Department explained that a Lady Health Supervisor of Health Department managed to get irregular appointment in Education Department as a trained teacher and worked simultaneously in both the departments for 19 months and she had drawn her salary from both the Department which resulted in a loss to Government exchequer.

The Department further stated that inquiry was conducted and as a result of inquiry recovery of Rs.1,000/- p.m. was being effected from her salary to recover the government loss.

The Department was directed to effect balance recovery and assure that she was serving only in Education Department. The **para was kept pending.**

**75.            Para No.1.2.**

Government High School Bhalike, District Sheikhpura-Rs.26,274/-.

**14.5.2004** The Department explained that the salary amounting to Rs.26,274/- was disbursed to Mr. Ghulam Farooq who was adjusted by the District Education Officer (SE), Sheikhpura for drawal of salary for the period from 1.4.1995 to 20.11.1995 at Government High School, Bahalike vide letter dated 23.11.1995. Relevant record i.e. cash book and acquaintance roll was available for verification.

On the recommendation of audit, the **Committee settled the para.**

**76. Para No.1.3**

Deputy District Education Officer (W), Toba Tek Singh-Rs.108,004/-.

**12.8.2004** The Department explained that the actual name of the teacher who was recruited in 1993 as EST was Shamim Ara whereas while issuing orders her name was written as Shamin Akhtar due to typographical mistake. However, the correct name was entered in the Service Book which was reflected in all subsequent official documents. The department further stated that the then appointing authority was departmentally proceeded against and exonerated by the competent authority vide order dated 16-9-2000. Necessary documentary evidence and inquiry report duly accepted by the competent authority were available for verification by audit.

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

**4.1.2005** The Department explained that an inquiry report duly accepted by the competent authority was available.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.**

**77. Para No.1.4.**

Deputy District Education Officer (W), Toba Tek Singh-Rs.54,450/-.

**4.1.2005** Audit pointed out that loss was caused due to bogus appointments on fake documents.

The Department further explained that Mst. Tahira Jabin was appointed as Arabic Teacher by the DEO(W-EE), Lahore city. She was transferred from District Lahore to District TT Singh on her own request. Her domicile certificate and diploma in Arabic duly verified by the authority concerned was available for verification.

The Department further explained that an inquiry report duly accepted by the competent authority was available.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.**

**78.           Para No.1.5.**

Deputy District Education Officer (W), Toba Tek Singh – Not Assessed

**4.1.2005**      Audit pointed out that loss was caused due to bogus appointments on fake documents.

The Department explained that the appointments of 14 PTC Teachers and one Naib Qasid were found bogus by the Scrutiny Committee of District TT Singh. The Teachers/Naib Qasid were proceeded under relevant E&D Rules. 13 PTC Teachers out of 14 were removed from service on the basis of charge of fake professional/ academic qualification certificates and 14<sup>th</sup> teacher was awarded punishment of stoppage of two increments. One teacher namely Mubashara Anwar, PTC filed a writ petition in the Lahore High Court, Lahore. The authority in the light of the direction of the Lahore High Court, withdrew orders of removal from service in respect of Mubashara Anwar. Mr. Tajammul Hussain, NQ was also proceeded against on the charge of earning increments on bogus Matric Certificate. The over payment was recovered from him and he was exonerated.

The appointing authority had been removed from the Administrative post and posted out of District as a punishment.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.**

**79.           Para No.1.6.**

Deputy District Education Officer (M), Mailsi District Vehari -  
Rs.1,024,100/-.

**4.1.2005**      Audit pointed out that loss was caused due to bogus appointments on fake documents.

The Department explained that the appointment of Mr. Muhammad Javaid s/o Ashiq Muhammad was made by the then Deputy DEO (Male), Vehari. He was removed from service on

the charge of seeking employment on fake documents. He filed an appeal with PST which was dismissed but recovery was not allowed.

The Department further stated that the matter respecting issuance of certificate from the Directorate of Education Multan regarding declaration of result of PTC examination in respect of Mr Manzoor Ahmad as 30.4.1983 instead of 27.6.1983 had been seen and verified by the Audit.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.**

**80.           Para No.1.7.**

Government Islamia High School Jind, District Gujrat-Rs.18,735/-.

**14.5.2004**   The Department explained that the recoverable amount was Rs.17043.75 instead of Rs.18,735/- which had been recovered and deposited into Government treasury.

Audit verified the contention of the Department.

On the recommendation of audit, the **Committee settled the para.**

**81.           Para No.1.8.**

Deputy District Education Officer (M), Chubara, District Layyah-Rs.1,271,936/-.

**12.8.2004**   The department explained that the amount of the original para was Rs.11,99,463/- as against Rs.12,71,396/- as pointed out in audit report, on account of payment made to 17 teachers whose service record was found bogus. It was stated that out of 17 teachers who were removed from service, 10 were reinstated in service by PST, the cases of 5 were pending with PST, whereas 2 teachers had not challenged their termination orders. An amount of Rs.11,99,463/- was paid to the teachers for the period they had performed duty. The relevant record was available for verification.

The Committee observed that the department should ensure that in future no appointments were made without prior verification of degrees/testimonials.

**The para was conditionally settled subject to production of relevant record to audit for verification and pursuing of the cases in PST.**

**82.           Para No.1.9.**

Deputy District Education Officer (W), Karor District Layyah-Rs.55,218/-

**14.5.2004** Audit had pointed out that Government had sustained huge losses on account of bogus appointments of teachers on fake documents and resultant fraudulent drawal of salaries.

After detailed discussion, the Committee appointed one member Sub-Committee comprising Sardar Muhammad Yousaf Khan Leghari, MPA to examine the aforesaid draft para and submit its report to the Committee within 90 days.

The above mentioned para was kept pending.

**12.8.2004** It was brought to the notice of the Committee that the report of the Sub Committee was awaited.

**The para was kept pending till the receipt of the report of Sub Committee.**

**83. Para No.1.10.**

Deputy District Education Officer (W), Chubara District Layyah-Rs.165,698/-.

**14.5.2004** Audit had pointed out that Government had sustained huge losses on account of bogus appointments of teachers on fake documents and resultant fraudulent drawal of salaries.

After detailed discussion, the Committee appointed one member Sub-Committee comprising Sardar Muhammad Yousaf Khan Leghari, MPA to examine the aforesaid draft para and submit its report to the Committee within 90 days.

The above mentioned para was kept pending.

**12.8.2004** The report of the Sub Committee was awaited.

**The para was kept pending till the receipt of the report of Sub Committee.**

**84. Para No.1.11.**

Deputy District Education Officer (M), Minchanabad District  
Bahawalnagar-Rs.49,496/-.

**14.5.2004** Audit had pointed out that Government had sustained huge losses on account of bogus appointments of teachers on fake documents and resultant fraudulent drawal of salaries.

After detailed discussion, the Committee appointed one member Sub-Committee comprising Sardar Muhammad Yousaf Khan Leghari, MPA to examine the aforesaid draft para and submit its report to the Committee within 90 days.

The above mentioned para was kept pending.

**12.8.2004** The report of the Sub Committee was awaited.

The para was kept pending till the receipt of the report of Sub Committee.

**4.1.2005** The Department explained that the Public Accounts Committee in its meeting held on 12.8.2004 referred this para to the Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.

**The para was kept pending till the receipt of report of Sub-Committee.**

**85. Para No.1.12.**

Deputy District Education Officer (W), Chishtian, District Bahawalnagar-  
Rs.1,056,706/-.

**12.8.2004** The Department explained the position in respect of 10 lady teachers in the light of the probe made by a committee constituted by EDO (Education), Bahawalnagar. The department added that an inquiry against the appointing authorities/DDOs concerned was being held by EDO, Khanewal and further action would be taken on receipt of the report.

The Committee directed the department to complete the inquiry within 60 days and take appropriate action under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that an inquiry against the appointing authority/DDOs concerned was being held by the EDO Khanewal and further action would be taken on the receipt of the report.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.**



**86.           Para No.1.13.**

Deputy District Education Officer (M-E.E.), Chishtian, District  
Bahawalnagar-Rs.314,164/-.

**12.8.2004**     The Department explained in the meeting that recovery from the teachers for the period they had actually served could not be effected in view of the judgement of the Lahore High Court, Lahore on the subject.

**The Committee accepted the reply of the department and the para was settled.**

**87.           Para No.1.14.**

Deputy District Education Officer (W), Minchanabad District  
Bahawalnagar-Rs.417,964/-.

**14.5.2004**     Audit had pointed out that Government had sustained huge losses on account of bogus appointments of teachers on fake documents and resultant fraudulent drawal of salaries.

After detailed discussion, the Committee appointed one member Sub-Committee comprising Sardar Muhammad Yousaf Khan Leghari, MPA to examine the aforesaid draft para and submit its report to the Committee within 90 days.

The above mentioned para was kept pending.

**12.8.2004**     The report of the Sub Committee was awaited.

The para was kept pending till the receipt of the report of Sub Committee.

**4.1.2005**     The Department explained that the Public Accounts Committee in its meeting held on 12.8.2004 had referred this para to the Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.

**The para was kept pending till the receipt of report of Sub-Committee.**

**88.           Para No.1.15.**

Deputy District Education Officer (W), Fortabbas District  
Bahawalnagar-Rs.397,726/-.

**14.5.2004** Audit had pointed out that Government had sustained huge losses on account of bogus appointments of teachers on fake documents and resultant fraudulent drawal of salaries.

After detailed discussion, the Committee appointed one member Sub-Committee comprising Sardar Muhammad Yousaf Khan Leghari, MPA to examine the aforesaid draft para and submit its report to the Committee within 90 days.

The above mentioned para was kept pending.

**12.8.2004** It was brought to the notice of the Committee that the report of the Sub Committee was awaited.

The para was kept pending till the receipt of the report of Sub Committee.

**4.1.2005** The Department explained that the Public Accounts Committee in its meeting held on 12.8.2004 referred this para to the Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.

**The para was kept pending till the receipt of report of Sub-Committee.**  
**89. Para No.1.16.**

Deputy District Education Officer (M), Mailsi District Vehari-  
 Rs.302,283/-.

**14.5.2004** Audit had pointed out that Government had sustained huge losses on account of bogus appointments of teachers on fake documents and resultant fraudulent drawal of salaries.

After detailed discussion, the Committee appointed one member Sub-Committee comprising Sardar Muhammad Yousaf Khan Leghari, MPA to examine the aforesaid draft para and submit its report to the Committee within 90 days.

The above mentioned para was kept pending.

**12.8.2004** It was brought to the notice of the Committee that the report of the Sub Committee was awaited.

**The para was kept pending till the receipt of the report of Sub Committee.**

**90. Para No.3 Pages 7 & 10 of Audit Report for the year 1998-99; Loss of Rs.54,452/- Comprising Pay of the Staff Due to Robbery.**

**14.5.2004** The Department explained that an amount of Rs.54,452/- was robbed of on 8.12.1994 from the School Cashier. A case was got registered but no recovery had so far been made by the Police. The case for write off of the loss had since been moved.

The Committee conditionally settled the para subject to write off sanction by the competent authority.

**4.1.2005** The Department explained that Case for the write off sanction was under process with the Finance Department since 7.5.2004.

The Department was directed to pursue the case in the Finance Department. The **para was settled subject to write off sanction by the Finance Department.**

**91. Para No.4 Pages 7 & 11 of Audit Report for the year 1998-99; Fraudulent and Doubtful Payment of Rs.504,300/- Due to Appointment of Teachers from Retrospective Dates.**

Deputy District Education Officer (W), Kabirwala District Khanewal-  
Rs.504,300/-.

**14.5.2004** Audit had pointed out that Government had sustained huge losses on account of bogus appointments of teachers on fake documents and resultant fraudulent drawal of salaries.

After detailed discussion, the Committee appointed one member Sub-Committee comprising Sardar Muhammad Yousaf Khan Leghari, MPA to examine the aforesaid draft para and submit its report to the Committee within 90 days.

The above mentioned para was kept pending.

**12.8.2004** The report of the Sub Committee was awaited.

The **para was kept pending till the receipt of the report of Sub Committee.**

**92. Para No.5 Pages 11 & 12 of Audit Report for the year 1998-99; Embezzlement of Rs.173,841/-.**

**14.5.2004** Audit had pointed out that Headmistress drew amounts payable to teachers and

embezzled them by recording fake acknowledgements of the recipients.

The Department stated that as per the findings of the probe made into the matter the contention of the audit was correct. However, the accused Headmistress had since died. It was added that claims pertained to 14 teachers; some teachers had received their claims whereas some had forgone the same.

The Committee settled the para subject to write off sanction by the competent authority.

**4.1.2005** The Department explained that the para was considered by the PAC in its meeting held on 12.8.2004 and was settled subject to write off sanction by the competent authority.

The Department contented that the para was with Sub-Committee No.VIII of the PAC-I and further write off sanction case was in progress.

**The para was kept pending till the receipt of report of Sub-Committee.**

**93. Para No.8.1 Pages 7 & 13 of Audit Report for the year 1998-99; Fraudulent/Double Drawal of Rs.1,160,391/-.**

Deputy District Education Officer (W), Dera Ghazi Khan-Rs.23,744/-.

**14.5.2004** The Department explained that as per the findings of an inquiry held on the directions of SDAC meeting dated 14.1.1999, no double payment or drawal was involved because two teachers bearing same name were in service who had drawn their salaries accordingly.

The Committee conditionally settled the para subject to verification of relevant record/ inquiry report by audit.

**12.8.2004** The Audit stated that inquiry report and the relevant record i.e. Service Books of both the lady teachers had not so far been produced to it for verification.

The Committee directed the department to produce the relevant record within 60 days and also take appropriate action against the officer responsible in this behalf.

**The para was kept pending.**

**94. Para No.8.2**

Deputy District Education Officer (W) Multan-Rs.222,879/-.

**12.8.2004** The Department explained that the balance recovery had since been realized and stood verified by audit. However, as per the findings of the inquiry report, action against the then AEOs and the then clerk had been initiated which was under process.

The Committee directed that necessary action should be completed within 90 days under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the balance recovery and the requisite actions had been completed and the same had been verified by the Audit.

The Departmental contention was supported by the Audit, therefore, **the Committee decided to settle the para.**

**95.           Para No.8.3.**

Deputy District Education Officer (M), Silanwali, District Sargodha - Rs.795,402/-

**14.5.2004** The Department explained that as per reinvestigation made by an officer of ACE Punjab, action against 8 officials of NBP and DAO office, Sargodha was required to be taken, whereas the name of the Education Department's official, namely Mr. Mubarak Ali Akhtar, ex-AEO had been dropped by the ACE court. Therefore, no officer/official of Education Department was involved in this case.

The para was kept pending till finalization of inquiry/action by ACE.

**12.8.2004** The Department explained that directions of PAC had since been conveyed to the court of Special Judge/Anticorruption Establishment, Sargodha and its decision in the case was still awaited.

**The Committee kept the para pending with the direction to the department to pursue the case.**

**96.           Para No.9.1 Pages 7, 13 & 14 of Audit Report for the year 1998-99; Fraudulent Drawal of Pay and Allowances Amounting to Rs.9,582,646/- As a**

## **Result of Bogus Appointments.**

Deputy District Education Officer (M), Lahore Cantt-Rs.15,378/-.

**14.5.2004** Audit had pointed out that Government had sustained huge losses on account of bogus appointments of teachers on fake documents and resultant fraudulent drawal of salaries.

After detailed discussion, the Committee appointed one member Sub-Committee comprising Sardar Muhammad Yousaf Khan Leghari, MPA to examine the aforesaid draft para and submit its report to the Committee within 90 days.

The above mentioned para was kept pending.

**12.8.2004** The report of the Sub Committee was awaited.

The para was kept pending till the receipt of the report of Sub Committee.

**4.1.2005** The Department explained that the para was discussed in the PAC on 12.8.2004 and were referred to the Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.

The **Committee decided to keep the para pending till the receipt of report of Sub-Committee.**

### **97. Para No.9.2.**

Deputy District Education Officer (M), Lahore Cantt-Rs.24,513/-.

**14.5.2004** Audit had pointed out that Government had sustained huge losses on account of bogus appointments of teachers on fake documents and resultant fraudulent drawal of salaries.

After detailed discussion, the Committee appointed one member Sub-Committee comprising Sardar Muhammad Yousaf Khan Leghari, MPA to examine the aforesaid draft para and submit its report to the Committee within 90 days.

The above mentioned para was kept pending.

**12.8.2004** It was brought to the notice of the Committee that the report of the Sub Committee was awaited.



The para was kept pending till the receipt of the report of Sub Committee.

**4.1.2005** The Department explained that the para was discussed in the PAC on 12.8.2004 and were referred to the Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.

The **Committee decided to keep the para pending till the receipt of report of Sub-Committee.**

**98.           Para No.9.3.**

Deputy District Education Officer (W), Multan-Rs.189,944/-.

**4.1.2005** Audit pointed out that pay and allowances were drawn fraudulently due to bogus appointments.

The Department explained that recovery of Rs.6,998/- had been effected and verified by the Audit.

The **Committee decided to settle the para subject to verification of balance recovery by the Audit.**

**99.           Para No.9.4.**

Deputy District Education Officer (W), Multan-Rs.103,013/-.

**4.1.2005** Audit had pointed out that pay and allowances were drawn fraudulently due to bogus appointments.

The Department explained that as per probe report, the appointment of Mst. Masood Fatima was bogus and orders were disowned and proved bogus by the then DDO. No salary was drawn.

The explanation of the department was accepted, therefore, **the Committee decided to settle the para.**

**100.           Para No.9.5**

Deputy District Education Officer (W), Multan – Not Assessed

**4.1.2005** Audit pointed out that pay and allowance was drawn fraudulently due to bogus

appointments.

The Department explained that appointments were declared as bogus/fake by the Scrutiny Committee deputed by the Government or as a result of disciplinary proceedings conducted by the Department.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.**

**101. Para No.9.6.**

Deputy District Education Officer (M) Sialkot-Rs.704,615/-.

**12.8.2004** The Department explained teacher-wise position about all the teachers involved in this para and stated that Treasury Challans/credit verification of the amounts deposited were available, inquiry report had been accepted by the competent authority, salaries to the teachers were paid for the period they had served and that the case for initiation of regular disciplinary proceedings against the officers/officials found guilty had been submitted to the competent authority.

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

**102. Para No.9.7.**

Deputy District Education Officer (M) Kasur-Rs.61,462/-.

**12.8.2004** The Department explained that as a result of the disciplinary proceedings , Mr Nazir Ahmad, PTC Teacher was removed from service vide order dated 7-5-1999 as his appointment was proved to be bogus because the authority concerned did not own/verify the validity of original appointment order. Necessary action against the officer concerned had been initiated .

The Committee directed the department to finalize action against the officer concerned within 90 days.

The para was kept pending.

**4.1.2005** Audit pointed out that pay and allowance was drawn fraudulently due to bogus appointments.

The Department explained that appointments were declared as bogus/fake by the

Scrutiny Committee deputed by the Government or as a result of disciplinary proceedings conducted by the Department.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.**

**103.           Para No.9.8.**

Deputy District Education Officer (W) Kasur-Rs.236,351/-.

**12.8.2004**       The Department explained that initial appointment of Mst. Rashida Tabassum was not bogus as she was appointed as untrained PTC Teacher vide order dated 28-10-1979. Her services were later regularized and she had since been retired at her own option. All the payments made to her had been duly checked by DAO, Kasur, and AG Punjab had verified her pay fixation. Therefore, no recovery was involved.

On the verification and recommendation of audit, **the para was settled.**

**104.           Para No.9.9.**

Deputy District Education Officer (M) Narowal-Rs.1,004,751/-.

**12.8.2004**       The Department explained the position in detail in respect of the teachers involved in this para and inter alia stated that some teachers had been exonerated by the authority whereas inquiries against some others were under process and action against the then appointing authorities/DDOs was also being taken.

The Committee directed the department to complete the requisite inquiries/action within 90 days under intimation to PAC.

The para was kept pending.

**4.1.2005**       Audit pointed out that pay and allowance was drawn fraudulently due to bogus appointments.

The Department explained that appointments were declared as bogus/fake by the Scrutiny Committee deputed by the Government or as a result of disciplinary proceedings conducted by the Department.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.**

**105.        Para No.9.10.**

Deputy District Education Officer (W), Murree, District Rawalpindi-Rs.356,892/-.

**4.1.2005**        Audit had pointed out that pay and allowances were drawn fraudulently due to bogus appointments.

The Department explained that appointments were declared as bogus/fake by the Scrutiny Committee deputed by the Government or as a result of disciplinary proceedings conducted by the Department.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.**

**106.        Para No.9.11.**

Deputy District Education Officer (W) Shujabad, District Multan-Not Assessed.

**12.8.2004**        The Department explained that as per the findings of an inquiry held into the mater, as many as 34 teachers were involved in this para and none of them was terminated. The inquiry report and other record was available for verification.

**The Committee conditionally settled the para subject to verification of inquiry report/relevant record by audit.**

**107.        Para No.9.12.**

Deputy District Education Officer (W) Rahim Yar Khan-Rs.6,885,727/-.

**12.8.2004**        The Department stated that as per the findings of an inquiry held into the matter, 7 officers were found responsible for bogus appointments and the case for initiation of regular disciplinary proceedings against them had since been moved to the competent authority.

The Committee kept the para pending with the direction that the department should complete disciplinary proceedings/necessary action within 90 days.

**4.1.2005**        Audit had pointed out that pay and allowances were drawn fraudulently due to

bogus appointments.

The Department explained that appointments were declared as bogus/fake by the Scrutiny Committee deputed by the Government or as a result of disciplinary proceedings conducted by the Department.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.**

**108.            Para No.10.1 Pages 7, & 14 of Audit Report for the year 1998-99; Embezzlement of Salaries Amounting to Rs.682,778/-.**

District Education Officer (M.EE), Lahore City-Rs.205,029/-.

**4.1.2005**      Audit had pointed out that salaries of the staff were drawn and the same were not found disbursed.

The Department explained that a case was registered with the Anti Corruption Establishment Punjab, Lahore.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report to PAC.**

**109.            Para No.10.2.**

Deputy District Education Officer (M), Bhalwal District Sargodha-Rs.369,413/-.

**14.5.2004**      The Department explained that as a result of regular inquiry, Mr. Khalil-ur-Rehman Ex-AEO was found guilty and was dismissed from service along with penalty of recovery of Rs.2,428,793/- which included the amount of the present para. Later the accused was re-instated in service by PST with the direction to hold de novo inquiry against him. Inquiry against him was being conducted which would be completed in one month. Meanwhile, a case against him was also pending with ACE.

The Committee directed the department to pursue the case with Anti Corruption Establishment for finalization of inquiry/action at the earliest.

The para was kept pending.

**4.1.2005** The Department explained that case was under trial with Special Judge Anti Corruption, Sargodha.

The para was kept pending.

**110. Para No.10.3.**

Deputy District Education Officer (W), Dera Ghazi Khan-Rs.108,336/-.

**14.5.2004** The Department explained that as per the findings of an inquiry held into the matter, salaries of 41 teachers were disbursed to concerned employees after getting proper acknowledgements. The Department further stated that the inquiry report was not accepted by the competent authority.

The Committee directed that the Department should finalize the matter within one month under intimation to PAC.

The para was kept pending.

**12.8.2004** The Department explained that a de novo inquiry was held into this matter and the inquiry officer endorsed the conclusions drawn in the first inquiry report to the effect that the salaries of 41 teachers were disbursed under proper acknowledgements.

On the verification and recommendation of audit, **the para was settled.**

**111. Para No.11.1 Pages 8, 14 & 15 of Audit Report for the year 1998-99; Loss of Rs.7,931,471/- to Public Exchequer by Drawal of Salaries on Bogus Last Pay Certificates.**

Deputy District Education Officer (M), Dera Ghazi Khan - Rs.1,897,468/-.

**14.5.2004** Audit had pointed out that Government had sustained huge losses on account of bogus appointments of teachers on fake documents and resultant fraudulent drawal of salaries.

After detailed discussion, the Committee appointed one member Sub-Committee comprising Sardar Muhammad Yousaf Khan Leghari, MPA to examine the aforesaid draft para and submit its report to the Committee within 90 days.

The above mentioned para was kept pending.

**12.8.2004** It was brought to the notice of the Committee that the report of the Sub Committee

was awaited.

**The para was kept pending till the receipt of the report of Sub Committee.**

**112.           Para No.11.2.**

Deputy District Education Officer (W-EE), Dera Ghazi Khan-  
Rs.1,367,014/-.

**4.1.2005**      The Department explained that as a result of probe no action/recovery was recommended.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report to PAC.**

**113.           Para No.11.3.**

Deputy District Education Officer (M) Taunsa District Dera Ghazi Khan-  
Rs.4,666,989/-.

**12.8.2004**      The Department explained that as a result of an inquiry held into the matter, the appointments of 22 teachers were found in order, reinvestigation in 8 cases had been recommended, while in 2 cases appointments were found to be bogus and services of the concerned incumbents were terminated.

The Committee directed the department to complete re-investigation/re-verification process within 90 days.

**The para was kept pending.**

**114.           **Para No.12.1 Pages 8 & 15 of Audit Report for the year 1998-99; Payment of Rs.3,732,784/- Against Appointments on Bogus Certificates.****

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District Education Officer (M & F) Mandi Bahauddin-Rs.2,722,417/-.

**13.8.2004**      The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.



The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that actions against the officers/officials involved in the para were under process.

**The para was kept pending with the direction that the action be completed within shortest possible time.**

**115. Para No.12.2.**

Deputy District Education Officer (M) Haroonabad District  
Bahawalnagar-Rs.1,010,367/-.

**13.8.2004** The Department explained that the para was pending for want of regularization of expenditure/irregularity etc. by the competent authority/Finance Department.

The Committee directed the department to get the matter regularized from the competent authority within 90 days.

The para was kept pending.

**4.1.2005** The Department explained that the case for regularization had been sent to the Finance Department for obtaining ex-post facto sanction. The said sanction was still awaited.

**The para was kept pending.**

**116. Para No.13 Page 16 of Audit Report for the year 1998-99; Fraudulent Drawal of Salary Amounting to Rs.120,909/-.**

**4.1.2005** The Department explained that EDO(Education), Lahore had constituted a probe committee for examination and report which was still awaited.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report to PAC.**

**117. Para No.14.1 Pages 8, 16 & 17 of Audit Report for the year 1998-99; Misappropriation of Stationery and Stores Worth Rs.150,934/- Due to Non Accountal.**

## Director Staff Development Project, Lahore-Rs.110,934/-.

**15.5.2004** The Department explained that an Inquiry Committee had been constituted to probe into the matter.

**The Committee kept the para pending and directed the department to complete inquiry within 30 days under intimation to PAC.**

### **118.            Para No.14.2.**

Government Girls High School, Abdullahpur Kollar District  
Sheikhupura-Rs.40,000/-.

**14.5.2004** The Department explained that as per the findings of an inquiry held into the matter, all the items valuing R.40,000/- were physically available and found entered in the relevant stock registers. The relevant record was available for verification.

The Committee conditionally settled the para subject to verification of inquiry report/ relevant record by audit.

**4.1.2005** The Department explained that as per the findings of the inquiry, all the items valuing Rs.40,000/- were physically available and found entered in the relevant stock registers. The relevant record was available for verification.

The inquiry report duly accepted by the competent authority had been verified by the Audit.

The contention of the Department was supported by the Audit, therefore, **Committee decided to settle the para.**

### **119.            Para No.15 Page 17 of Audit Report for the year 1998-99; Mis-Appropriation of Rs.91,339/-.**

**14.5.2004** Audit had pointed out that the amount was spent on the purchase of stores and repairs but no record entries in respect thereof were maintained.

The Department explained that as per the findings of the inquiry held into the matter, the expenditure was incurred on the purchase of various items/repair of machinery after observing all legal and codal formalities. Moreover, the para was settled in SDAC meeting held

on 20.4.1999.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**13.8.2004** The Department stated that the para related to production of record to audit for verification.

The Committee directed the department to produce the record to audit and also to take appropriate action against those responsible for not producing record within 90 days under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that on the direction of the DPI (EE) Punjab, DEO(EE) Vehari had conducted a probe and reported that the expenditure of Rs.91,339/- had been incurred on the purchase of various items/repair of machinery after observing all the legal and codal formalities. History sheets of machinery were maintained. The other items had been received entered in the stocks registers and issued.

The para was discussed in the SDAC meeting held on 20.4.1999 and was recommended for settlement.

On consideration of the facts of the case, **the Committee decided to settle the para.**

**120. Para No.16.1 Pages 8, 17 & 18 of Audit Report for the year 1998-99; Misappropriation of Stores Worth Rs.83,292/-.**

Government Taleem-ul-Quran High School, Rawalpindi-Rs.53,000/-.

**14.5.2004** The Department explained that Mr. Amjad Javed, the then Senior Head Master who was involved in misappropriation had retired on 11.5.2002 and proceedings against him under Pension Rules were at final stages.

The Committee observed that advance para was converted into draft para in 1999 but no action had been taken since then by the department. The para was kept pending till 15.5.2004 for necessary clarification by the Department.

That para was kept pending as the same was not discussed on 15.5.2004.

**4.1.2005** The Department explained that Mr. Amjad Javed, the then Senior Head Master,

who was involved in the misappropriation had retired on 11.5.2002 and proceedings against him under pension rules were at final stages.

The Department was directed to effect the recovery of Rs.83,292/- out of the pension case of the officer at the earliest. Necessary action against the officer, who had issued NDC to the officer may also be taken. The **para was kept pending**.

**121.           Para No.16.2.**

Government Taleem-ul-Quran High School, Rawalpindi-Rs.30,292/-.

**14.5.2004**   The Department explained that Mr. Amjad Javed, the then Senior Head Master who was involved in misappropriation had retired on 11.5.2002 and proceedings against him under Pension Rules were at final stages.

The Committee observed that advance para was converted into draft para in 1999 but no action had been taken since then by the department. The para was kept pending till 15.5.2004 for necessary clarification by the Department.

That para was kept pending as the same was not discussed on 15.5.2004.

**4.1.2005**    The Department explained that Mr. Amjad Javed, the then Senior Head Master, who was involved in the misappropriation had retired on 11.5.2002 and proceedings against him under pension rules were at final stages.

The Department was directed to effect the recovery of Rs.83,292/- out of the pension case of the officer at the earliest. Necessary action against the officer, who had issued NDC to the officer may also be taken. The **para was kept pending**.

**122.           Para No.17 Page 18 of Audit Report for the year 1998-99; Fraudulent Drawal of Pay and Allowances Amounting to Rs.70,318,233/-.**

**14.5.2004**   The Department informed the Committee that in the above mentioned para, inquiry is pending with the Anti Corruption Establishment and further action was not possible till finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The para was kept pending.

**13.8.2004** The Department explained that the inquiry/action in respect of the para was pending with Anticorruption Establishment.

The Committee was informed that on the previous directions of the Committee, a letter had been addressed to Anticorruption Establishment to finalize inquiry/action at the earliest.

The Committee directed the department to pursue the case with ACE and also write a letter to them under intimation to PAC.

The para was kept pending.

**123. Para No.18 Page 19 of Audit Report for the year 1998-99;  
Fraudulent Drawal of Rs.7,412,588/- on Account of Pay and Allowances  
Showing Fictitious Names/Bogus Teachers.**

**14.5.2004** The Department informed the Committee that in the above mentioned para, inquiry is pending with the Anti Corruption Establishment and further action was not possible till finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The para was kept pending.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the actions against the officers/officials involved in the matter pertaining to the para were under process at different stages including inquiries etc.

The Committee decided to refer the para to Sub-Committee headed by Sardar

**Muhammad Yousaf Khan Leghari, MPA for examination and report to PAC.**

**124. Para No.19 Pages 19 & 20 of Audit Report for the year 1998-99;  
Fraudulent Drawal of Pay and Allowances Amounting to  
Rs.14,998,574/-.**

**14.5.2004** The Department informed the Committee that in the above mentioned para, inquiry is pending with the Anti Corruption Establishment and further action was not possible till finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The para was kept pending.

**13.8.2004** The Department explained that the inquiry/action in respect of the para was pending with Anticorruption Establishment.

The Committee was informed that on the previous directions of the Committee, a letter had been addressed to Anticorruption Establishment to finalize inquiry/action at the earliest.

The Committee directed the department to pursue the case with ACE and also write a letter to them under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the investigation in respect of the para was pending with the ACE and now Departmental Inquiry Committee had been constituted to probe into the issue.

The para was kept pending.

**125. Para No.20 Page 20 of Audit Report for the year 1998-99;  
Fraudulent Drawal of Rs.549,428/- on Account of Disturbance Pay/  
Allowance.**

**14.5.2004** The Department informed the Committee that in the above mentioned para, inquiry is pending with the Anti Corruption Establishment and further action was not possible till

finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The para was kept pending.

**13.8.2004** The Department explained that the inquiry/action in respect of the para was pending with Anticorruption Establishment.

The Committee was informed that on the previous directions of the Committee, a letter had been addressed to Anticorruption Establishment to finalize inquiry/action at the earliest.

The Committee directed the department to pursue the case with ACE and also write a letter to them under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the investigation in respect of the para was pending with the ACE and now Departmental Inquiry Committee had been constituted to probe into the issue.

The para was kept pending.

**126. Para No.21 Pages 20 & 21 of Audit Report for the year 1998-99; Fraudulent Drawal of Pay and Allowances Showing Excess Posts Recovery of Rs.365,560/-.**

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**14.5.2004** The Department informed the Committee that in the above mentioned para, inquiry is pending with the Anti Corruption Establishment and further action was not possible till finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The aforesaid para was kept pending.

**13.8.2004** The Department explained that the inquiry/action in respect of the para was pending



with Anticorruption Establishment.

The Committee was informed that on the previous directions of the Committee, a letter had been addressed to Anticorruption Establishment to finalize inquiry/action at the earliest.

The Committee directed the department to pursue the case with ACE and also write a letter to them under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the investigation in respect of the para was pending with the ACE and now Departmental Inquiry Committee had been constituted to probe into the issue.

The para was kept pending.

**127. Para No.22 Page 21 of Audit Report for the year 1998-99;  
Fraudulent/Double Drawal of Pay and Allowances and Recovery of Rs.936,940/-**

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**14.5.2004** The Department informed the Committee that in the above mentioned para, inquiry is pending with the Anti Corruption Establishment and further action was not possible till finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The para was kept pending.

**13.8.2004** The Department explained that the inquiry/action in respect of the para was pending with Anticorruption Establishment.

The Committee was informed that on the previous directions of the Committee, a letter had been addressed to Anticorruption Establishment to finalize inquiry/action at the earliest.

The Committee directed the department to pursue the case with ACE and also write a letter to them under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the investigation in respect of the para was pending with the ACE and now Departmental Inquiry Committee had been constituted to probe into the issue.

The para was kept pending.

**128. Para No.23 Pages 21 & 22 of Audit Report for the year 1998-99; Fraudulent Drawal of Rs.102,463/- On Account of Pay and Allowances.**

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**14.5.2004** The Department informed the Committee that in the above mentioned para, inquiry is pending with the Anti Corruption Establishment and further action was not possible till finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The para was kept pending.

**13.8.2004** The Department explained that the inquiry/action in respect of the para was pending with Anticorruption Establishment.

The Committee was informed that on the previous directions of the Committee, a letter had been addressed to Anticorruption Establishment to finalize inquiry/action at the earliest.

The Committee directed the department to pursue the case with ACE and also write a letter to them under intimation to PAC.

The para was kept pending.

**129. Para No.24 Page 22 of Audit Report for the year 1998-99; embezzlement of Rs.205,980/- Of Pay and Allowances.**

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**14.5.2004** The Department informed the Committee that in the above mentioned para, inquiry is pending with the Anti Corruption Establishment and further action was not possible till finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action

in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The para was kept pending.

**13.8.2004** The Department explained that the inquiry/action in respect of the para was pending with Anticorruption Establishment.

The Committee was informed that on the previous directions of the Committee, a letter had been addressed to Anticorruption Establishment to finalize inquiry/action at the earliest.

The Committee directed the department to pursue the case with ACE and also write a letter to them under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the investigation in respect of the para was pending with the ACE and now Departmental Inquiry Committee had been constituted to probe into the issue.

The para was kept pending.

**130. Para No.25 Pages 22 & 23 of Audit Report for the year 1998-99; Embezzlement of Rs.95,305/- On Account of Pay and Allowances Through Bogus/Manual Bills.**

**14.5.2004** The Department informed the Committee that in the above mentioned para, inquiry is pending with the Anti Corruption Establishment and further action was not possible till finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The para was kept pending.

**13.8.2004** The Department explained that the inquiry/action in respect of the para was pending with Anticorruption Establishment.

The Committee was informed that on the previous directions of the Committee, a letter had been addressed to Anticorruption Establishment to finalize inquiry/action at the earliest.

The Committee directed the department to pursue the case with ACE and also write a letter to them under intimation to PAC.

The para was kept pending.

**131. Para No.26 Page 23 of Audit Report for the year 1998-99;  
Embezzlement of Rs.61,851/-On Account of Pay and Allowances Through  
Manual Bills**

**14.5.2004** The Department informed the Committee that in the above mentioned para, inquiry is pending with the Anti Corruption Establishment and further action was not possible till finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The para was kept pending.

**13.8.2004** The Department explained that the inquiry/action in respect of the para was pending with Anticorruption Establishment.

The Committee was informed that on the previous directions of the Committee, a letter had been addressed to Anticorruption Establishment to finalize inquiry/action at the earliest.

The Committee directed the department to pursue the case with ACE and also write a letter to them under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the investigation in respect of the para was pending with the ACE and now Departmental Inquiry Committee had been constituted to probe into the issue.

The para was kept pending.

**132. Para No.27 Pages 23 & 24 of Audit Report for the year 1998-99;  
Fraudulent/Bogus Drawal Of Pay And Allowances Amounting To Rs.391,802/-  
Showing Fake Names.**

**14.5.2004** The Department informed the Committee that in the above mentioned para, inquiry

is pending with the Anti Corruption Establishment and further action was not possible till finalization of inquiry/action by ACE.

The Committee directed that a letter be addressed to ACE to complete inquiry/action in respect of matter pending with them within 90 days. The Department was directed to provide details of the para to ACE and also pursue the matter with them.

The para was kept pending.

**13.8.2004** The Department explained that the inquiry/action in respect of the para was pending with Anticorruption Establishment.

The Committee was informed that on the previous directions of the Committee, a letter had been addressed to Anticorruption Establishment to finalize inquiry/action at the earliest.

The Committee directed the department to pursue the case with ACE and also write a letter to them under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the investigation in respect of the para was pending with the ACE and now Departmental Inquiry Committee had been constituted to probe into the issue.

The para was kept pending.

**133.            Para No.28.1 Pages 25 & 28 of Audit Report for the year 1998-99; Overpayment of Rs.964,609/- on Account of Pay and Allowances.**

Deputy District Education Officer (M), Dera Ghazi Khan-Rs.131,420/-.

**14.5.2004** The Department explained that in the light of audit observation Mr. Allah Bakhsh and Mr. Muneer were reverted to their original posts. However, they were reinstated as PTC teachers in compliance with PST decision.

On the recommendation of audit, **the Committee settled the para.**

**134.            Para No.28.2.**

Deputy District Education Officer (M), Sialkot-Rs.189,798/-.

**4.1.2005** Audit had pointed out that the amount was irregularly drawn and overpaid to the

incumbents, due to irregular promotion/appointment and wrong fixation of pay.

The Department explained that as a result of inquiry, the recovery was imposed and same was being effected. Since Mr. Abdul Ghafoor had expired, write off sanction case had also been moved.

The para was kept pending with the direction to pursue the case in Finance Department.

**135.           Para No.28.3.**

Deputy District Education Officer (W), Multan-Rs.643,391/-.

**4.1.2005**      Audit had pointed out that amounts had been irregularly drawn and overpaid to the incumbents, due to irregular promotion/appointment and wrong fixation of pay.

The Department explained that 13 untrained lady teachers were appointed before the issuance of instructions of S&GAD dated 14.8.1990.

Audit opined that as per clarification issued by the S&GAD in letter dated 14.8.1990 was not applicable retrospectively.

The Department further stated that all the teachers had acquired the requisite professional qualifications except three untrained lady teachers who were near to their retirement.

The Committee accepted the explanation of the Department and **decided to settle the para.**

**136.           Para No.29.1 Pages 25, 28 & 29 of Audit Report for the year 1998-99; Recovery of Rs.88,391/- Due to Excess/Double Payment of Pay and Allowances.**

Deputy District Education Officer (W), Multan-Rs.28,789/-.

**14.5.2004**      The Department after explaining the details of the case stated that necessary probe into the matter was being made.

The Committee directed that the Department should finalize probe/action in this case at the earliest under intimation to PAC.

The para was kept pending.

**13.8.2004**      The Department explained that action against the officers/officials involved in the

matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**4.1.2005** The Department explained that the action against the officers/officials involved in the matter pertaining to the para was under process at different stages including inquiries etc.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report to PAC.**

**137. Para No.29.2.**

Deputy District Education Officer (W), Shujabad, District Multan-Rs.21,069/-.

**13.8.2004** The Department started that difference of pay in respect of Mst Lal Khatoon was drawn after her pay was got fixed by DAO Multan and hence no recovery was due. However, recovery of Rs.18,718/- had been effected in respect of Mrs Tahira Parveen.

The Audit verified departmental contention.

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

**138. Para No.29.3**

Deputy District Education Officer (W), Lodhran-Rs.38,533/-.

**14.5.2004** The Department explained the details of the recovery effected and stated that an amount of Rs.10,649/- was not drawn from Government treasury. Necessary record in support of departmental contention was available for verification.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**4.1.2005** The Department explained that recovery of Rs.31,335/- out of the total recovery of Rs.38,533/- had been effected and verified by the Audit. Balance recovery of Rs.7,198/- was not due as the incumbent remained on EOL.



The Departmental contention was supported by the Audit, therefore, the **Committee decided to settle the para.**

**139.            Para No.30 Pages 25 & 30 of Audit Report for the year 1998-99; Overpayment of Rs.546,953/- Due to Grant of Daily allowance at Full Rates Against Entitlement of Half Daily Allowance.**

Director Staff Development Project Punjab, Lahore-Rs.546,953/-.

**15.5.2004**      Audit had pointed out grant of daily allowance at full rate instead of half rate to those Government Servants who were availing boarding and lodging facility during training.

The Department explained that 2299 participants attended training workshops from 1995-98 and hostel facility was available for 22 participants only at a time. Half daily allowance was deducted from TA/DA bills of participants who were provided hostel facility. Recovery of Rs.507,747/- out of Rs.546,953/- was unjustified because participants were not provided hostel facility during that period of 3 years. Record was available for verification.

The Committee directed the department to produce relevant record to audit for verification.

The **para was kept pending.**

**140.            Para No.31 Page 30 of Audit Report for the year 1998-99; Expenditure On Residential Telephones In Excess Of Prescribed Limit Amounting To Rs.67,044/-**

**13.5.2004**      The Department explained that the functions of the Board of Intermediate & Secondary Education were governed under a special law and its rules and regulations. Further, the Board generated its own funds and carried out its works without receiving budgetary allocation from the Government. Since the Board was performing functions of peculiar nature with reference to conduct of examinations, its officers were required to remain in contact with the staff appointed for smooth and efficient conduct of examinations even during late night hours. Hence the Board had not adopted the limits on telephone calls prescribed by the Government for its officers.

Finance Department observed that the Board could not provide any facility to its employees beyond that admissible to other Government employees unless it was approved by the controlling authority. Telephone calls made in excess of prescribed limit needed condonation by Finance Department.

The Committee observed that the ceiling of telephone calls in the Board should be according to the limits fixed by the Government and directed that recovery should be made according to rules within 60 days.

The para was kept pending.

**3.1.2005** The Department explained that the telephone calls were made in the public interest and in accordance with the rules.

The para was kept pending with the direction that the Department may move a case to the Finance Department for regularization/write off.

**141. Para No.32 Pages 30 & 31 of Audit Report for the year 1998-99; Recovery Of Rs.152,362/- On Account of Telephone Charges Paid In respect Of the Unauthorized Telephone Connections**

**13.5.2004** Audit had pointed out that telephone charges were paid in respect of a telephone installed at Secretary's residence in addition to the telephone facility already provided and charged to Education Department.

The Department explained that as per the demand of the controlling authority i.e. Secretary Education, the Board provided additional telephone facility at his residence in accordance with the provisions of the Punjab Board of Intermediate and Secondary Education Act, 1976 because the Secretary in his capacity as controlling authority performed multifarious duties viz-a-viz the Board.

The Committee did not accept the explanation of the Department and directed it to effect recovery within 90 days.

The para was kept pending.

**3.1.2005** The Department explained that the telephone calls were made in the public interest and in accordance with the rules.

The para was kept pending with the direction that the Department may move a case to the Finance Department for regularization/write off.

**142. Para No.33 Page 31 of Audit Report for the year 1998-99; Recovery of Overpaid Salaries Amounting to Rs.82,640/-.**

**4.1.2005** Audit had pointed out that teachers involved in the audit objection were paid as salary at the rates higher than their entitlement.

The Department explained that the requisite record/recovery had been verified by the Audit.

The Departmental contention was supported by the Audit, therefore, **the Committee decided to settle the para.**

**143.            Para No.34.1 Pages 25, 31 & 32 of Audit Report for the year 1998-99; Overpayment of Rs.510,517/- on Account of Pay and Allowances.**

Government Milli Dar-ul-Atfal Girls High School, Rajgarh, Lahore-Rs.121,336/-.

**14.5.2004** The Department explained that the recoverable amount was Rs.97505.82 instead of Rs.121336.46 on account of excess payment to the staff which had been recovered and deposited into Government treasury.

The Committee conditionally settled the para subject to verification of record by audit.

**4.1.2005** The Department explained that Rs.72,448/- had been deposited and verified by the T.O, Lahore and balance recovery of Rs.1,075/- had been effected and record was available for verification.

Audit had contended that the necessary record upto satisfaction of the Audit had not been provided.

The Department was directed to produce credit verification duly signed by the Treasury Officer, Lahore himself or countersigned in respect of deposits of Rs.72,448/- and Rs.1,075/- along with the requisite service books. **The para was kept pending.**

**144.            Para No.34.2.**

Government Millat Girls High School, Mughalpura, Lahore-Rs.39,184/-.

**14.5.2004** The Department explained that recoverable amount was Rs.34,401/- instead of Rs.39,184/- on account of non-deduction of conveyance allowance during Summer and Winter

vacation which had been recovered and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**145.        Para No.34.3.**

Deputy District Education Officer (W), Lahore Cantt: Rs.34,829/-.

**4.1.2005**        The Department explained that recovery of Rs.9,526/- had been effected and verified by the Audit. However, no recovery was due in respect of Ms. Rukhsana Parveen as the lady teacher had already passed the PTC examination and was entitled for increments.

The **Committee decided to settle the para subject to verification of relevant record by the Audit.**

**146.        Para No.34.4.**

Deputy District Education Officer (W), Lahore Cantt: Rs.30,055/-.

**4.1.2005**        The Department explained that the recoverable amounts had been recovered and deposited into Government treasury. The same had been verified by the Audit.

The Departmental contention was supported by the Audit, therefore, **the Committee decided to settle the para.**

**147.        Para No.34.5.**

Deputy District Education Officer (W), Hassan Abdal, District Rawalpindi-Rs.32,961/-.

**14.5.2004**        The Department explained that as per decision of Lahore High Court, Lahore dated 4.10.2001 recovery was not due because maternity leave with pay was allowed to contractual teachers. Hence the amount was not recoverable.

The **Committee conditionally settled the para subject to waiving off of the amount by the competent authority.**

**148.        Para No.34.6.**

Deputy District Education Officer (M), Hassan Abdal, District Rawalpindi-Rs.131,564/-.

**15.5.2004**        The Department explained that service of Mr. Ghulam Khan, appointed as PTC

teacher (untrained) in 1984, was terminated in terms of Punjab Government notification dated 14.8.1990 because he failed to acquire professional qualification within 3 years. However, salary was paid to him for the period he performed duty in good faith.

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

**149.        Para No.34.7.**

Deputy District Education Officer (M), Mailsi, Vehari-Rs.23,686/-.

**15.5.2004**        The Department explained that recovery of Rs.4,850/- on account of wrong fixation of pay was not due because Qari Riaz Ahmad, OT was entitled to annual increment w.e.f. 1.12.1994 in the light of Finance Department letter dated 4.2.1990. Moreover, other amounts had also been deposited into Government treasury.

Audit stated that credit verification of an amount of Rs.2,877/79 and balance recovery of Rs.15,958/- was yet to be made.

The **Committee conditionally settled the para subject to verification of recovery already effected by audit and the balance recovery.**

**150.        Para No.35.1 Pages 26 & 32 of Audit Report for the year 1998-99; Overpayment of Rs.390,219/- to Untrained Teachers.**

Deputy District Education Officer (W-EE), Mianchannu-Rs.57,644/-.

**4.1.2005**        Audit pointed out that overpayment was made as a result of grant of increments to untrained teachers to which they were not entitled.

The Department explained that recovery in respect of Mst. Mumtaz Parveen amounting to Rs.5,238/- had been effected and verified by the Audit. The payments on account of increments in respect of Naziran Begum and Firdous Kausar were justified.

The Departmental contention was supported by the Audit, therefore, **the Committee decided to settle the para subject to the verification of the requisite record by the Audit.**

**151.        Para No.35.2.**

Deputy District Education Officer (W), Lahore Cantt-Rs.30,618/-.

**13.8.2004** The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

**The para was kept pending.**

**152.           Para No.35.3.**

Deputy District Education Officer (M), Kabirwala, District Khanewal-  
Rs.18,395/-.

**13.8.2004** The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

**The para was kept pending.**

**153.           Para No.36.1 Pages 26, 32 & 33 of Audit Report for the year 1998-99; Irregular Payment of Dress/Washing Allowance Amounting to Rs.603,310/-.**

Deputy District Education Officer (W), Kabirwala, District Khanewal-  
Rs.246,090/-.

**15.5.2004** The Department explained that the said allowance could not be withdrawn in view of the judgment of Lahore High Court (Multan Bench) dated 23.11.1999. However, the copy of the said judgment was not available.

Audit observed that the High Court had admitted the writ petition for hearing but no final order had been passed.

The Committee directed the department to produce the order of the High Court to audit.

The para was kept pending.

**13.8.2004** The Department explained that recovery was yet to be realized in respect of the amount involved in the para.

The Committee directed the department to effect recovery/balance recovery at the earliest.

**The para was kept pending till recovery.**

**154.           Para No.36.2.**

Deputy District Education Officer (M), Mailsi, District Vehari-  
Rs.232,220/-.

**13.8.2004** The Department explained that the matter was adjudicated upon by the Lahore High Court, Multan Bench which had announced that Dress/Washing Allowance was admissible to the low paid employees.

The Audit, however, stated that only one official had filed a petition in the High Court which had admitted the same for hearing and final decision had not so far been announced. Audit was of the view that recovery in this case should be effected.

**The Committee kept the para pending and directed the department to produce the requisite judgement of the High Court to audit or effect recovery.**

**155.           Para No.36.3.**

Deputy District Education Officer (M), Kamoke, District Gujranwala-  
Rs.125,000/-.

**13.8.2004** The Department explained that recovery was yet to be realized in respect of the amount involved in the para.

The Committee directed the department to effect recovery/balance recovery at the



earliest.

The para was kept pending till recovery.

**5.1.2005** The Department explained that actual recovery for an amount of Rs.32,237/- had been effected. However, recovery relating to the office of Deputy DEO (W) Kamokey and Deputy DEO(M) Gujranwala was being effected through computer slips in easy installments.

**The Committee decided to settle part-I of the para subject to verification of credit verification by the Audit. However, part-II and part-III of the para were kept pending for balance recovery.**

**156. Para No.37 Pages 26 & 33 of Audit Report for the year 1998-99; Recovery of Rs.329,000/- Paid As a Result of Unlawful Grant of Selection Grade.**

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Deputy District Education Officer (M), Mailsi, Vehari-Rs.329,000/-.

**15.5.2004** The Department explained that a sum of Rs.207,774/- had been recovered and deposited into Government treasury. The remaining amount would be deducted from the salaries of the employees.

Finance Department observed that un-authorized grant of selection grade was a deliberate action on the part of the DDO and suggested that Department should look into it for appropriate action.

The Department stated that the case had already been referred to the competent authority for appropriate action against the concerned DDO.

The Committee directed the department to recover balance amount, get the recovered amount verified by audit and take appropriate action against the DDO concerned for the lapse.

The para was kept pending.

**13.8.2004** The Department explained that recovery was yet to be realized in respect of the amount involved in the para.

The Committee directed the department to effect recovery/balance recovery at the earliest.

The para was kept pending till recovery.

**157.            Para No.38.1 Pages 26 & 34 of Audit Report for the year 1998-99; Overpayment of Rs.454,273/- by Irregularly Allowing House Rent, Conveyance, Washing and Dress Allowances.**

Deputy District Education Officer (M), Kasur-Rs.32,197/-.

**13.8.2004**    The Department stated that the para related to production of record to audit for verification.

The Committee directed the department to produce the record to audit and also to take appropriate action against those responsible for not producing record within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005**    The Department explained that a sum of Rs.24,400/- out of Rs.32,197/- had been recovered and verified by the Audit.

The Departmental contention was supported by the Audit.

The **Committee decided to settle the para subject to balance recovery and its verification by Audit.**

**158.            Para No.38.2.**

Deputy District Education Officer (W), Multan-Rs.307,360/-.

**15.5.2004**    The Department explained that as intimated by Cantonment Executive Officer, Multan , the schools under observation were situated inside the notified limit of Multan Cantonment. Therefore, payment of house rent and the conveyance allowance was admissible under the rules.

Finance Department observed that conveyance allowance was admissible if the schools were situated within Municipal limits otherwise the amount was recoverable.

The Committee kept the para pending with directions that either the department should get the case regularized or effect recovery.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**159.           Para No.38.3.**

Deputy District Education Officer (W), Gujranwala-Rs.37,760/-.

**13.8.2004** The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

The para was kept pending.

**5.1.2005** The Department explained that the requisite record had been verified by the Audit. The Departmental contention was supported by the Audit.

The Committee decided to settle the para subject to verification of balance recovery of Rs.437/- by the Audit.

**160.           Para No.38.4.**

Deputy District Education Officer (M), Layyah-Rs.76,956/-.

**15.5.2004** The Department explained that out of total recoverable amount, a sum of Rs.55,450/- had been recovered and deposited into Government treasury, whereas one official namely Mr. Abdul Aziz, against whom Rs.5,015/- was outstanding had died. The remaining amount would be effected from the salaries of the employees concerned.

The Committee conditionally settled the para subject to balance recovery and verification of recovery already effected by audit.

**13.8.2004** The Department explained that recovery was yet to be realized in respect of the amount involved in the para.

The Committee directed the department to effect recovery/balance recovery at the earliest.

The para was kept pending till recovery.

**161.            Para No.39.1 Pages 26, 34 & 35 of Audit Report for the year 1998-99; Recovery of Rs.299,611/- Overpaid on Account of Pay and Allowances.**

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Deputy District Education Officer (W), Multan-Rs.14,531/-.

**13.8.2004** The Department stated that audit objection about Mst Nusrat Begum was correct, however, the recoverable amount was Rs.567/- which had been recovered through deduction from her salary. So far as anomaly in fixation of pay in 2 cases was concerned, the same had rightly been fixed by DAO Multan, and, therefore, no recovery was due.

The Audit verified the departmental contention.

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

**162.            Para No.39.2.**

Deputy District Education Officer (W), Multan-Rs.157,677/-.

**13.8.2004** The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

The para was kept pending.

**163.            Para No.39.3.**

Deputy District Education Officer (W), Rahim Yar Khan-Rs.40,169/-.

**13.8.2004** The Department stated that the actual amount of para came to Rs.35,172/- instead of Rs.40,169/-. The para was discussed in SDAC meeting dated 11, 12-6-1999 and after verifying deposit of Rs.35,172/-, the para was settled.

On the verification and recommendation of audit, **the para was settled.**

**164.           Para No.39.4.**

Deputy District Education Officer (M), Kharian, District Gujrat-Rs.53,727/-.

**15.5.2004**       The Department explained that the case of the teacher was pending in the Supreme Court of Pakistan and the fate of the civil appeal was awaited.

The Committee kept the para pending being sub-judice.

**13.8.2004**       The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The **para was kept pending.**

**165.           Para No.39.5.**

Deputy District Education Officer (W), Layyah-Rs.33,507/-.

**15.5.2004**       The Department explained that the entire amount had been recovered and deposited into Government treasury.

The **Committee conditionally settled the para subject to verification of recovery by audit.**

**166.           Para No.40.1 Pages 36 & 37 of Audit Report for the year 1998-99; Loss of Government Stores Etc Worth Rs.354,434/- Due to Non Accountal/ Misappropriation.**

Director, Staff Development Project Punjab, Lahore-Rs.100,000/-.

**15.5.2004**       The Department stated that para consisted of two parts. About part-I, it was stated that audit had exaggerated the value of four trees which were auctioned for Rs.6,400/- after observing all codal formalities and amount was deposited into Government treasury which stood verified by audit. For part-II, the department contended that tree register was available for verification.

The **Committee conditionally settled the para subject to verification of tree register/relevant record by audit.**

**167.           Para No.40.2.**

Director, Staff Development Project Punjab, Lahore-Rs.206,749/-.

**15.5.2004**      The Department explained that Inquiry Committees had been constituted to probe into the aforesaid matters.

The Committee directed the department to complete inquiries within 30 days.

The **para was kept pending.**

**168.           Para No.40.3.**

Director, Staff Development Project Punjab, Lahore-Rs.31,324/-.

**15.5.2004**      The Department explained that Inquiry Committees had been constituted to probe into the aforesaid matters.

The Committee directed the department to complete inquiries within 30 days.

The **para was kept pending.**

**169.           Para No.40.4.**

Deputy District Education Officer (W), Okara-Rs.16,361/-.

**13.8.2004**      The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The **para was kept pending.**

**170.           Para No.41 Pages 36, 37 & 38 of Audit Report for the year 1998-99; Irregular Re-Appropriation of Funds Amounting to Rs.121,000/-.**

Director, Secondary Education, Dera Ghazi Khan-Rs.121,000/-.

**14.5.2004** The Department explained that Finance Department's letter dated 15.10.1997 was endorsed to all the field formations vide letter dated 29.10.1997 whereas process of re-appropriation had already been completed on 22.10.1997. However, re-appropriation was made from minor object of stationery to printing which was within the competency of Divisional Director being an officer of category-I.

Audit stated that reply of the department was not received well in time and requested for keeping the para pending for examination/comments by it.

The para was accordingly kept pending.

**4.1.2005** The Department contented that re-appropriation was made from minor object 54000-Stationery to minor object 50000-Printing under the same head -41902 which was within the competency of the Divisional Director being category-I officer, under Financial Power Rules, 1990.

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

**171. Para No.42.1 Pages 36 & 38 of Audit Report for the year 1998-99; Unauthorized Expenditure of Rs.5,028,886/- Without Budget Allotment or Incurred in Excess of the Allocated Funds Etc.**

Deputy District Education Officer (W), Toba Tek Singh-Rs.191,400/-.

**13.8.2004** The Department explained that recovery was yet to be realized in respect of the amount involved in the para.

The Committee directed the department to effect recovery/balance recovery at the earliest.

The **para was kept pending till recovery.**

**172. Para No.42.2.**

Government Model High School Canal Colony, Bahawalnagar-Rs.3,560,574/-.

**14.5.2004** The Department explained that the para related to appropriation accounts for the



year 1997-98 which was settled by Adhoc PAC in its meeting dated 10.12.2001 with the advice that the excess be got regularized through expost facto sanction for re-appropriation by the Finance Department which was under process. The Special Secretary (Schools) stated that the Department would look into this matter.

The para was kept pending.

**4.1.2005** The Department explained that there was no overdrawal against the actual release of salary component for Bahawalpur Division.

On the statement of DPI (Schools) that there was no irregularity/ embezzlement, the **Committee settled the para.**

**173.           Para No.42.3.**

Government Comprehensive High School Canal Colony,  
Bahawalnagar-Rs.1,245,720/-.

**14.5.2004** The Department explained that the para related to appropriation accounts for the year 1997-98 which was settled by Adhoc PAC in its meeting dated 10.12.2001 with the advice that the excess be got regularized through expost facto sanction for re-appropriation by the Finance Department which was under process. The Special Secretary (Schools) stated that the Department would look into this matter.

The para was kept pending.

**4.1.2005** The Department explained that paras relating to Appropriation Accounts for the year 1997-98 had been settled by the Ad-hoc PAC in its meeting held on 10.12.2001 subject to regularization

On the statement of DPI (Schools) that there was no irregularity/ embezzlement, the **Committee settled the para.**

**174.           Para No.42.4.**

Government Girls High School Abdullahpur Kollar, District  
Sheikhupura-Rs.31,192/-.

**14.5.2004** The Department explained that the excess expenditure related to arrear bills of various teachers drawn on account of grant of advance increments and selection grades. As per the clarification contained in AG Punjab's letter dated 10.10.1998, there was no need to get a certificate for availability of budget for additional expenditure to be incurred for the aforesaid

purpose.

On the recommendation of audit, **the Committee settled the para.**

**175. Para No.43 Page 40 of Audit Report for the year 1998-99; Payment of Pay and Allowances Amounting to Rs.80,076/- to Lady Teachers Without Performance of Duty.**

**5.1.2005** Audit pointed out that pay and allowances were paid to lady teachers without performance of duty.

The Department explained that Mst. Kalsoom Akhtar PTC attended the Government Khanum Girls Middle School Hussainabad, Lahore uptill 30.9.1997. Salary upto 30.9.1997 was disbursed to her. She applied for extra ordinary leave from 1.10.1997 to 30.11.1997 but her application was returned with some observations, her pay was drawn for the period 10/97 to 12/97 but since she was absent presuming that her leave shall be approved, therefore, the payment was not made to her for the period 10/97 to 12/98 and the same was refunded back to Government. Mst. Talat Naz, PTC teacher was granted maternity leave w.e.f. 20.8.1997 to 17.11.1997 (90 days). For this period the pay was admissible to her and was disbursed to her. She was allowed extra ordinary leave w.e.f. 5.1.1998 (146 days), therefore, pay for EOL period was though drawn by the DDO was not paid to her because of EOL. The pay amounting to Rs.16,362/- was refunded by the DDO.

The **Committee decided to settle the para subject to verification of record by the Audit.**

**176. Para No.44 Pages 40 & 41 of Audit Report for the year 1998-99; Infructuous Expenditure of Rs.114,046/- Due to Payment of Salaries Etc to Teachers Without Assignment.**

**13.8.2004** The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

The para was kept pending.

**5.1.2005** The Department explained that the probe committee reported that there was no such teacher namely Shagufta Parveen PTC. Saira Latif, EST was given the duty of teaching math and English whereas Farzana Bashir performed duty of teaching Nursery Section B. Ms. Najma PET was given teaching duty of subject of Islamyat, English, Urdu and Science in addition to her own

duties due to acute shortage of staff. Ms. Abida Parveen PTC was paid for her arrears of pay for the Summer Vacation Period.

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

**177.            Para No.45 Pages 39 & 41 of Audit Report for the year 1998-99; Payment of Rs.197,843/- As Pay and Allowances of the Teachers Without Performing Duty.**

Deputy District Education Officer (W), Kabirwala, District Khanewal-  
Rs.197,843/-.

**15.5.2004**      Audit had pointed out that doubtful payment of Rs.197,843/- was made to two lady teachers without performing duty.

The Department explained that as per inquiry report the charges against Razia Nawaz PTC and Mubeen Fatima (EST) stood proved. Therefore, EDO, Multan had been asked to initiate necessary action and recovery as per inquiry report.

The Committee kept the para pending for recovery.

**13.8.2004**      The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005**      The Department explained that the requisite actions were in process.

**The para was kept pending.**

**178.            Para No.46 Pages 41 & 42 of Audit Report for the year 1998-99; Irrational Student Teacher Ratio and Consequent Wasteful Expenditure of Rs.803,872/-.**

**13.8.2004**      The Department stated that as per the findings of an inquiry held into the matter, the schools were located in backward area and facility of education, being a social service, could not be denied to such areas. The inquiry report had been accepted by the competent authority.

On the verification and recommendation of audit, **the para was settled.**

**179. Para No.47 Page 42 of Audit Report for the year 1998-99; Payment of Salaries Amounting to Rs.342,415/- to the Teachers in Excess of the Sanctioned Strength.**

**13.8.2004** The Department explained that as per the findings of an inquiry held into the matter, the total sanctioned strength of teachers of all categories of Tehsil Kabirwala was 239 and that the salaries drawn for each month under audit observation were not in excess of sanctioned strength. The Department, however, admitted the making of 3 erratic postings but stated that the same had since been undone.

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

**180. Para No.48 Pages 39 & 43 of Audit Report for the year 1998-99; Wasteful of Public Money Due to purposeless Retention of Costly Machinery Worth Rs.1,500,000/-.**

Government Comprehensive Boys High School Rawalpindi-  
Rs.1,500,000/-.

**14.5.2004** Audit had pointed out that the school was equipped with costly machinery to give training in wood, metal and welding work but the said subjects were not taught.

The Department explained that the said equipment was properly utilized in industrial art classes regularly being held since 1975. It was added that though training was not being imparted, yet the relevant subjects were being taught and that PC-I in this regard was not got approved. The Department, however, stated that it would hold an inquiry and submit report to the Committee in one month.

The Committee kept the para pending.

**4.1.2005** The Department explained that pursuant to the direction of PAC dated 13.5.2004, an Inquiry Committee was constituted. As per inquiry report, the machinery and equipments supplied by the Government were regularly being used in the school since long. Inquiry report had been accepted by the competent authority. The relevant record had been verified by the Audit.

The Departmental contention was supported by the Audit, therefore, **para was settled.**

**181. Para No.49.1 Pages 39, 43 & 44 of Audit Report for the year 1998-99; Unlawful Retention of the Unspent Balances Amounting to Rs.2,762,230/- At \_**

## **the Close of the Financial Year.**

Deputy District Education Officer (W), Gojra, District Toba Tek Sing-  
Rs.2,751,073/-.

**15.5.2004** The Department explained that the School Management Committees (School Councils) were constituted at school level to utilize the funds through active participation of local community. The detail of funds received by School Councils and the relevant record pertaining to utilization thereof etc. was available for verification. The Department, however, contended the suggestion of the audit to refund the amount into Government treasury was not justified.

The **Committee kept the para pending with the direction to the Department to produce the requisite record to audit.**

### **182. Para No.49.2.**

Deputy District Education Officer (M), Minchinabad, District  
Bahawalnagar-Rs.11,157/-.

**15.5.2004** The Department explained that entire amount of Rs.11,157/- had been recovered and deposited into Government treasury. Action against the officers/officials at fault was being initiated.

The Committee conditionally settled the para subject to verification of recovery effected by audit.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that entire amount had been recovered and deposited into Government treasury. Action against the officers/officials at fault was being initiated.

Department was directed to clarify the factual position and justify the reduction in the amount from Rs.11,157/- to Rs.7,085/-.

The para was kept pending.

**183. Para No.50 Page 50 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.222,228/- Due to Unlawful Reinstatement of Teachers in Service.**

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**5.1.2005** Audit had pointed out that services of the teachers, were terminated in compliance of the orders of the honourable Lahore High Court during October 1993. They were however, reportedly reinstated under order of the Chief Minister, Punjab, who was not empowered to over-rule or set aside the orders passed by the High Court.

The Department explained that in the light of judgment of Lahore High Court, Lahore, fresh merit list was prepared by the Departmental Recruitment Committee and five lady teachers were found below merit and such being violative of the Recruitment Policy, their services were terminated. Aggrieved by the order of their termination, the affected teachers approached the then Hon'ble Chief Minister, Punjab and sought Chief Minister's Directive regarding re-instatement of five teachers individually.

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

**184. Para No.51 Pages 50 & 51 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.741,780/- on Pay and Allowances of Untrained Teachers.**

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**5.1.2005** Audit pointed out that pay and allowances were paid to untrained teachers who were allowed to continue beyond the provisional period of three years in which to achieve the prescribed qualification.

The Department explained that Government of the Punjab, SGA&I Department, had clarified that all the lady teachers who were appointed, prior to 14.8.1990 were not subject to the conditions applicable to those untrained teachers who were employed on or after that date.

The **Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report to PAC.**

**185. Para No.52 Page 51 of Audit Report for the year 1998-99; Infertuous Expenditure of Rs.314,114/- on Payment of Pay and Allowances to**



## **Teachers.**

**13.8.2004** The Department explained that as per an inquiry held into the matter, the payment of Rs.42,790/- to the teachers concerned was neither irregular nor excess. It was further stated that services of Mst Shakeela Ghani were regularized by the competent authority and an amount of Rs.1435/- for the summer vacation had since been recovered and deposited into the treasury.

On the verification and recommendation of audit, **the para was settled.**

**186.            Para No.53.1 Pages 45, 51 & 52 of Audit Report for the year 1998-99; Irregular Expenditure on Payment of Pay and Allowances Amounting to Rs.7,182,275/-.**

Deputy District Education Officer (W-EE), Lahore Cantt. -Rs.359,500/-.

**5.1.2005** Audit had pointed out that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

The Department stated that para had already been referred to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.

**The para was kept pending.**

**187.            Para No.53.2.**

Deputy District Education Officer (W-EE), Lahore Cantt. - Rs.142,550/-

**5.1.2005** Audit had pointed out that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

The Department stated that para had already been referred to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.

**The para was kept pending.**

**188.            Para No.53.3.**

Government High School Wahgrian, Lahore-Rs.62,336/-.



**14.5.2004** The Department explained that 3 posts of SSTs, one before up-gradation and two at the time of up-gradation, were sanctioned. The Headmaster being DDO of high as well as elementary portion drew the salaries of the staff concerned.

On the recommendation of audit, the **Committee settled the para.**

**189.         Para No.53.4.**

Deputy District Education Officer (W-EE), Chunian, District Kasur-  
Rs.538,678/-.

**5.1.2005** Audit had pointed out that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

The Department stated that para had already been referred to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for scrutiny and report to PAC.

The **para was kept pending.**

**190.         Para No.53.5.**

Deputy District Education Officer (M-EE), Chunian, District Kasur-  
Rs.56,652/-.

**5.1.2005** Audit had observed that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

The Department explained that the appointment of the incumbent was declared bogus during a series of scrutin but by the appellate committee declared the appointment as genuine. No ambiguity/irregularity was there.

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

**191.         Para No.53.6.**

Government Girls High School Abdullahpur Kollar, District  
Sheikhupura-Rs.50,722/-.

**14.5.2004** The Department furnished details of expenditure of Rs.50,722/- incurred on

purchase of two electric water coolers and disbursement of arrear bills of some teachers.

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

**192.        Para No.53.7.**

Government Girls High School Nawan Kot, District Sheikhpura-Rs.126,000/-.

**14.5.2004**     Audit had pointed out that allowances and salaries were paid against erratic postings.

The Department explained that Mr. Muhammad Yousaf DM was posted against the post of EST vide order dated 17.10.1995 and readjusted against the post of DM w.e.f. 25.11.1999. It was erratic posting but action against the appointing authority namely Mrs. Farhat Saleem Baig, the then DEO(SE) could not be taken due to her accidental death.

The Committee accepted the explanation of the department and **settled the para.**

**193.        Para No.53.8.**

Deputy District Education Officer (M), Pind Dadan Khan District Jhelum-Rs.275,064/-.

**15.5.2004**     The Department explained that three out of four teachers who were appointed during ban period were reinstated either by PST, Lahore High Court or as a result of an appeal fled against termination order. Hafiz Muhammad Ashraf did not file any appeal and was not re-instated. The teachers had been paid salaries for the period they served. It was added that departmental proceedings against the appointing authority were finalized who was exonerated by the competent authority.

The Committee kept the para pending with the direction that the Department should further look into the matter in the light of audit observations.

**5.1.2005**     The Audit explained that the departmental contention had been accepted and verified.

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

**194.        Para No.53.9.**

Deputy District Education Officer (W-EE), Pasrur District Sialkot-Rs.154,240/-

**5.1.2005** Audit had pointed out that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

Department explained that according to the findings of the probe officer, total amount of Rs.154,240/50 had been recovered through pay bills of the respective employees. The officer, who allowed the selection grade, which was not due, had retired from Government service.

**The Committee decided to settle the para subject to verification of record by the Audit.**

**195. Para No.53.10.**

Deputy District Education Officer (M-EE), Kabirwala District Khanewal  
Not Assessed

**5.1.2005** Audit had pointed out that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

The Department explained that the probing officer was of the view that the concerned functionaries had not violated any rule and committed no irregularity.

**The Committee decided to settle the para subject to verification of record by the Audit.**

**196. Para No.53.11.**

Deputy District Education Officer (M-EE), Kabirwala District Khanewal-  
Rs.193,860/-.

**5.1.2005** Audit had pointed out that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

The Department explained that the probe officer concluded that there had been no wastage of Government money and no officer had been found guilty.

Department was directed to get the inquiry report approved from the Competent Authority and then produce record for verification by Audit.

**The para was kept pending.**

**197.        Para No.53.12.**

Deputy District Education Officer (M-EE), Kabirwala District Khanewal-Rs.44,622/-.

**5.1.2005**        Audit had pointed out that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

The Department explained that the EDO(Education), Khanewal had forwarded a case to the Secretary, Government of the Punjab, Education Department putting the concerned incumbents to accountable under RSO 2000/Pension Rules accordingly.

The Department was directed to take action within 90 days and **para was kept pending.**

**198.        Para No.53.13.**

Deputy District Education Officer (W) Mian Chunnu District Khanewal-Rs.229,599/-.

**13.8.2004**        The Department stated that a probe was made into the matter and furnished position in respect of 8 teachers involved in the para. The Department added that an inquiry committee had been constituted to make further probe into this case.

The Committee directed the Department to finalize the inquiry proceedings at the earliest under intimation to PAC.

The para was kept pending.

**5.1.2005**        The Department stated that a probe was made into the matter in respect of eight teachers involved in the para but inquiry report had not yet been accepted by the DPI (EE).

The Department was directed to finalize action within 90 days and **para was kept pending.**

**199.           Para No.53.14.**

Deputy District Education Officer (W) Mian Chunnu District Khanewal-  
Rs.700,757/-.

**13.8.2004**    The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

The para was kept pending.

**5.1.2005**    The Department explained that regular inquiry was underway since 23.11.2004.

The Department was directed to finalize action within 45 days and **para was kept pending.**

**200.           Para No.53.15.**

Deputy District Education Officer (W) Mian Chunnu District Khanewal-  
Rs.56,729/-.

**13.8.2004**    The Department stated that audit comments were awaited.

The **Committee kept the para pending** and directed the audit to furnish its comments at the earliest.

**201.           Para No.53.16.**

Deputy District Education Officer (W-EE), Mian-Channu District  
Khanewal-Rs.265,950/-.

**5.1.2005**    Audit had pointed out that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

The Department explained that EST and SV were equivalent grade posts each in BS-9. Teachers of BS-9 were adjusted against the available vacancies of EST/SV. In no case, the

excess over the sanctioned posts had been made.

The Committee accepted the explanation of the Department and **decided to settle the para subject to verification of record by the Audit.**

**202.           Para No.53.17.**

Deputy District Education Officer (M), Mailsi, District Vehari-  
Rs.73,585/-

**15.5.2004**      The Department explained that in the light of the judgment of the Lahore High Court (Multan Bench) announced in various writ petitions filed by the petitioners, no recovery was required to be made from employees.

The **Committee kept the para pending** and directed the department to produce relevant record/judgment of the High Court to audit.

**203.           Para No.53.18.**

Deputy District Education Officer (M) Mailsi District Vehari-Rs.84,884/-.

**13.8.2004**      The Department explained that the teachers pointed out in audit para were imparting teaching to the primary section of middle schools. Since the students of primary section were being benefited in the subject of English as per government policy, therefore, the question of wastage of public money did not arise.

On the verification and recommendation of audit, **the para was settled.**

**204.           Para No.53.19.**

Deputy District Education Officer (M) Mailsi District Vehari-  
Rs.159,336/-.

**13.8.2004**      The Department stated that the posts of Security Guards were created for Maktab Schools and the appointments were made by the competent authority after observing procedural and codal formalities.

The Audit verified the departmental contention.

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

**205.           Para No.53.20.**

Deputy District Education Officer (W-EE), Liaquatpur District Rahim Yar Khan-Rs.954,571/-.

**5.1.2005** Audit had pointed out that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

The Department explained that EDO(Education), Rahim Yar Khan had been ordered to probe the matter.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report to PAC.**

**206.         Para No.53.21.**

Deputy District Education Officer (W-EE), Liaquatpur District Rahim Yar Khan-Rs.2,391,774/-.

**5.1.2005** Audit had pointed out that expenditure to the stated extent was incurred on account of payment of pay and allowances without admissibility, drawal of posts in excess of sanctioned strength and in contravention of rules and orders on the subject.

Department explained that nine lady teachers were appointed who did not possess the requisite qualification.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report to PAC.**

**207.         Para No.53.22.**

Director, Secondary Education, Dera Ghazi Khan-Rs.111,567/-.

**14.5.2004** The Department explained that the amount was drawn after completion of work of Middle Standard Examinations for payment to all concerned who performed duties as paper setters, Superintendents/Invigilators etc. An amount of Rs.15,912/90 which could not be disbursed due to the transfer of the concerned staff to other stations was refunded into Government treasury.

Audit stated that reply of the department about this para was received late and requested to keep it pending.



The para was accordingly kept pending.

**4.1.2005** The Department explained that amounts were drawn after completion of work of Middle Standard Examination for payment to all concerned who performed duties as paper setters, Superintendents/invigilators etc. Moreover, an amount of Rs.15912.90 which could not be disbursed due to transfer of the concerned staff to other stations was refunded to Government Treasury. There was no deviation.

Departmental contention was supported by the Audit, therefore, the Committee decided to **settle the para.**

**208. Para No.53.23.**

Deputy District Education Officer (W) Jatoi District Muzaffargarh-Rs.11,104/-.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The **para was kept pending.**

**209. Para No.53.24.**

Director, Staff Development Project Punjab, Lahore-Rs.123,364/-.

**15.5.2004** The Department explained that Mr. Muhammad Sadiq opted for retirement w.e.f. 31.12.1996 vide his application dated 1.10.1996. Consequently his retirement notification was issued on 2.2.1997. Meanwhile, he claimed withdrawal of retirement application on 3.12.1996. However, he kept drawing salary upto 1998, but in the wake of audit observation, he filed an application in the office of Provincial Ombudsman. On the directions of the Provincial Ombudsman to redress the grievances of the incumbent, his retirement notification was withdrawn on 29.10.1997. The matter had, however, been referred to Law Department for advice.

Audit observed that as per Finance Department's clarification dated 6.7.1981, option/application of retirement once exercised could not be withdrawn after acceptance/issuance of orders by the competent authority.

The Committee directed the department to hold an inquiry into this matter and

submit a report to PAC within 60 days.

**The para was kept pending.**

**210. Para No.53.25.**

Government Muslim High School, Faisalabad-Rs.14,830/-.

**14.5.2004** The Department explained that entire amount had been recovered and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**211. Para No.54 Page 52 of Audit Report for the year 1998-99; Irregular and Uneconomical Purchase of White Papers worth Rs.4,695,404/-**

**13.5.2004** Audit had pointed out that white papers were locally purchased without observing codal formalities as laid down in Punjab Purchase Manual. Payments were also made in advance without obtaining prior approval of Finance Department and that late delivery charges of Rs.66,500/- were also not recovered.

The Department explained that Board being “body corporate” and functioning under a special enactment was following its own purchase rules and not the Punjab Purchase Manual. Under the Act, all financial powers rested with the Board. Therefore, the purchase made was within the competency of the Board and no irregularity was committed.

Finance Department observed that Punjab Purchase Manual was not applicable to the Board which followed its own purchase procedure. The Auditor General could conduct audit of any local authority. However, if there was some specific provision in a statute applicable to a certain Department/organization with respect to audit, then it was to be followed. Finance Department added that prior to 1997, audit of the Board was being done by Local Fund Audit Department.

The Department further stated that Auditor General of Pakistan, for the first time, conducted audit of the Board for the year 1997-98. The audit of Board for the year 1998-99 was conducted by both the agencies i.e. Auditor General of Pakistan and Local Fund Audit.

The Committee directed the audit department to conduct special audit of the Board of Intermediate and Secondary Education, Lahore for the year 2001-2002 and submit its report within 3 months.

The para was kept pending.

**3.1.2005** The Department contented that expenditure had been got regularized by the Board in its meeting held on 25.1.1999. The Department further contented that since the period of delivery had been extended by the competent authority; hence late delivery charges were not recoverable. Ex-post facto sanction was accorded by the board for allowing advance payment without the expenditure on advertisement in the press.

The Departmental contention was supported by the Audit, therefore, **the para was settled.**

**212. Para No.55 Page 53 of Audit Report for the year 1998-99; Irregular Purchase of Student Calendars Amounting to Rs.83,750/- and Extension of Undue Favour to Suppliers.**

**5.1.2005** Audit pointed out that student calendars were purchased from M/S Friends International Ltd. without undergoing the process of local purchase.

The Department explained that purchase of students calendars were made on the direction of the Government of the Punjab, Education Department. These calendars were purchased by each Head of Institution @ Rs.250/- separately. So no question of income tax and other codal formalities was involved.

The Department was directed to inquire into the matter and take necessary action within 45 days and **para was kept pending.**

**213. Para No.56 Pages 46, 53 & 54 of Audit Report for the year 1998-99; Irregular and Unjustified Expenditure of Rs.62,333/- on Account of Study/Field Trips.**

Director, Staff Development Punjab, Lahore-Rs.62,333/-.

**15.5.2004** The Department explained that buses having greater seating capacity than that available in office vans were hired for study/field trips. Moreover, the office wagons were used for monitoring and supervision purposes for the courses conducted outside the Headquarter.

The **Committee settled the para with directions that in future the department should utilize its own wagons.**

**214. Para No.57 Pages 46 & 54 of Audit Report for the year 1998-99; Unauthorized Expenditure of Rs.1,853,659/-.**

Director, Staff Development Project Punjab, Lahore-Rs.1,853,659/-.

**15.5.2004** Audit had objected to the expenditure incurred in connection with in-service training of teachers without the approval of the Finance Department.

The Department explained that in an analysis the students failure ratio was attributed to lack of in-service training facilities for teachers in certain areas. Therefore, necessary training courses for teachers were arranged.

The Committee directed the department to get the expenditure regularized by the Finance Department.

The para was kept pending.

**215. Para No.58 Pages 46 & 55 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.1,517,421/- Incurred on Higher Number of Courses of Learning Coordinator Than Provided for in the Budget.**

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Director, Staff Development Project Punjab, Lahore-Rs.1,517,421/-.

**15.5.2004** The Department explained that 43 planned and 8 additional courses were conducted with the permission of the then Director Staff Development and no excess amount was demanded for these courses from the Government.

The Committee directed the department to get the expenditure regularized by the Finance Department.

The para was kept pending.

**216. Para No.59 Pages 46, 55 & 56 of Audit Report for the year 1998-99; Irregular and Uneconomical Expenditure of Rs.385,707/- on the Local Purchase of Stationery.**

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**15.5.2004** Audit had pointed out that stationary was locally purchased without obtaining sanction of the higher authorities.

The Department explained that original para was of Rs.35,735/-. The stationary was purchased for different training courses as per action plan and demand of the conveners of

the courses. In all cases the expenditure remained within the limit of Rs.2,500/- fixed for the purpose.

On the recommendation of audit, the **Committee settled the para.**

**217.        Para No.59.1 Pages 46, 55 & 56 of Audit Report for the year 1998-99; Irregular and Economical Expenditure of Rs.385,707/- on the Local Purchase of Stationery.**

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Deputy District Education Officer (W) Chunian District Kasur-  
Rs.249,972/-.

**13.8.2004**    The Department stated that except for regularization/ex post facto sanction, all other codal formalities had been observed. It was added that case for regularization had been moved to the Finance Department.

The Committee directed to get expenditure regularized by the Finance Department within 90 days.

The para was kept pending.

**5.1.2005**    The Department explained that case for regularization had already been moved to the Finance Department.

The Department was directed to take necessary action within a week and **para was kept pending.**

**218.        Para No.59.3.**

Deputy District Education Officer (W) Jatoi District Muzaffargarh-  
Rs.100,000/-

**13.8.2004**    The Department stated that the case had been moved to the Finance Department for regularization of irregularity relating to splitting up of expenditure and necessary action against those responsible for the lapse was also under process.

The Committee directed that the case be got regularized by the competent authority and action against the defaulters be also be finalized within 90 days.

The para was kept pending.

**5.1.2005** The Department explained that case for regularization had already been moved to the Finance Department.

The Department was directed to take necessary action within a week and **para was kept pending.**

**219. Para No.62 Page 57 of Audit Report for the year 1998-99; Irregular and Uneconomical Expenditure of Rs.145,762/- on the Purchase of Furniture (Inclusive of Doubtful Expenditure of Rs.50,000/-).**

**13.8.2004** The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

The **para was kept pending.**

**220. Para No.63 Pages 57 & 58 of Audit Report for the year 1998-99; Irregular Purchase Of Furniture Amounting To Rs.10,433,254/-.**

**13.5.2004** Audit had pointed out that furniture was purchased without obtaining sanction of the Finance Department as required vide its letter dated 15.10.1997.

The Department explained that the Board followed its own purchase procedure and the Chairman enjoyed full financial powers in this regard. Moreover, the Finance Department's letter under reference about austerity measures was endorsed to the Board by the Education Department vide its letter dated 4.5.1998, when purchase procedure had already been completed and payments had been made. Notwithstanding this, the case for regularization had been send to the Finance Department. It was contended that the action taken was within the provisions of the specific law of the Board and no irregularity had been committed.

The Committee directed the department to get the case regularized from the Finance Department.

The para was kept pending.

**3.1.2005** The Department explained that the case of regularization was pending in Finance

Department since 1999.

The Department was directed to pursue the case of regularization in the Finance Department and the Finance Department was directed to finalize the regularization cases expeditiously.

The **para was kept pending.**

**221.            Para No.64.1 Pages 47 & 58 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.1,143,943/- on the Purchase of Store material.**

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Director, Staff Development Punjab, Lahore-Rs.108,375/-.

**15.5.2004**      The Department stated that the case had been moved to the Finance Department for getting ex-post facto sanction.

The **Committee kept the para pending for ex-post facto sanction from the Finance Department.**

**222.            Para No.64.2.**

Deputy District Education Officer (M) Kamoke District Gujranwala-Rs.220,892/-.

**13.8.2004**      The Department stated that the para related to production of record to audit for verification.

The Committee directed the department to produce the record to audit and also to take appropriate action against those responsible for not producing record within 90 days under intimation to PAC.

The **para was kept pending.**

**223.            Para No.64.3.**

Government Sulemania Public High School, Samanabad, Lahore-Rs.58,800/-.

**14.5.2004**      The Department explained that the amount was released piece-meal by the then Director of Education. However, purchases were made as per rules after obtaining approval of competent authority calling tenders on competitive rates.



On the recommendation of audit, the **Committee settled the para.**

**224.        Para No.64.4.**

Deputy District Education Officer (W) Jatoi District Muzaffargarh-  
Rs.200,000/-

**13.8.2004**    The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005**    The Department explained that regular disciplinary proceedings and regularization case was being pursued vigorously.

The Department was directed to finalize the necessary action within 45 days under intimation to PAC.

The **para was kept pending.**

**225.        Para No.64.5.**

Deputy District Education Officer (W) Okara-Rs.350,000/-.

**13.8.2004**    The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

The **para was kept pending.**

**226.        Para No.64.6.**

Deputy District Education Officer (W) Okara-Rs.86,776/-.

**13.8.2004**    The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

The **para was kept pending.**

**227.            Para No.64.7.**

Deputy District Education Officer (M) Mailsi District Vehari-  
Rs.119,100/-.

**13.8.2004**    The Department explained that recovery was yet to be realized in respect of the amount involved in the para.

The Committee directed the department to effect recovery/balance recovery at the earliest.

The para was kept pending till recovery.

**5.1.2005**      The Department explained that a case for regularization of expenditure had been moved by the EDO(Education), Vehari and the ex-post facto sanction was awaited.

The Department was directed to finalize the necessary action within 30 days. The **para was kept pending.**

**228.            Para No.65.1 Pages 47, 58 & 59 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.711,984/- Due to Non Regularization of the Ad-hoc Appointment.**

Deputy District Education Officer (M), Dera Ghazi Khan-  
Rs.127,965/-.

**15.5.2004**      The Department explained that both the adhoc teachers were later appointed on merit on regular basis.

On the recommendation of audit, the **Committee settled the para.**

**229.            Para No.65.2.**

Deputy District Education Officer (M-EE), Dera Ghazi Khan-Rs.68,158/-.

**5.1.2005**      Audit pointed out that expenditure was incurred on account of payment of salaries

to the adhoc employees without getting the period of their adhoc appointments regularized or extended.

The Department explained that after the decision of Honourable Lahore High Court and reinstatement of the lady teacher by the competent authority, the observation of audit carried no weight.

The Committee accepted the explanation of the Department and decided to **settle the para.**

**230.            Para No.65.3.**

Deputy District Education Officer (W) Dera Ghazi Khan-Rs.515,861/-.

**13.8.2004**    The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005**    The Department explained that action against the officers/officials involved in the matter pertaining to the para was pending at different stages including inquiries.

The **Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.**

**231.            Para No.66.1 Pages 47 & 59 of Audit Report for the year 1998-99; Irregular Expenditure Amounting to Rs.2,635,078/- on Pay and Allowances Drawn on Adjustment Basis.**

Deputy District Education Officer (W-EE), Multan-Rs.322,173/-.

**5.1.2005**    Audit had pointed out that expenditure to the stated extent was incurred on account of payment of salary to the teachers on adjustment basis without performing duties under the respective drawing and disbursing officers.

The Department explained that EDO(Education), Multan had been directed to provide de-novo inquiry report duly accepted by the competent authority which was still awaited.

The Department was directed to finalize the necessary action within 15 days and the **para was kept pending.**

**232.           Para No.66.2.**

Deputy District Education Officer (W) Rahim Yar Khan-Rs.2,312,905/-.

**13.8.2004**    The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The **para was kept pending.**

**233.           Para No.67.1 Pages 47, 59 & 60 of Audit Report for the year 1998-99; Irregular/Un-authorized Re-appropriation of Funds Amounting to Rs.499,664/-.**

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District Education Officer (W-EE) Dera Ghazi Khan-Rs.65,000/-.

**13.8.2004**    The Department explained that the para was pending for want of regularization of expenditure/irregularity etc. by the competent authority/Finance Department.

The Committee directed the department to get the matter regularized from the competent authority within 90 days.

The para was kept pending.

**5.1.2005**    The Department explained that the case for regularization had been submitted to the Finance Department for obtaining ex-post facto sanction. The sanction was awaited.

The **para was kept pending.**

**234.           Para No.67.2.**

District Education Officer (M-EE) Dera Ghazi Khan-Rs.107,500/-.

**13.8.2004**    The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90

days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that action against the officers/officials involved in the matter pertaining to the para was pending at different stages including inquiries etc.

The Department was directed to complete the necessary action at the earliest. The **para was kept pending.**

**235.           Para No.67.3.**

District Education Officer (M-EE) Rajanpur-Rs.162,000/-.

**13.8.2004** The Department stated that case for regularization of expenditure had been moved to Finance Department.

The Committee pended the para for regularization within 90 days.

**5.1.2005** The Department stated that the case for regularization of expenditures had been moved to Finance Department and action was still awaited

The Department was directed to get finalized the necessary action within 30 days and the **para was kept pending.**

**236           Para No.67.4.**

District Education Officer (W-EE) Rajanpur-Rs.50,000/-.

**13.8.2004** The Department explained that the para was pending for want of regularization of expenditure/irregularity etc. by the competent authority/Finance Department.

The Committee directed the department to get the matter regularized from the competent authority within 90 days.

The **para was kept pending.**

**237.           Para No.67.5.**

District Education Officer (W-EE) Muzaffargarh-Rs.115,164/-.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department stated that the case for regularization of expenditures had been moved to Finance Department and action was still awaited

The Department was directed to get finalized the necessary action within 30 days and the **para was kept pending.**

**238.        Para No.68.1 Pages 47 & 60 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.189,808/- on POL and Repairs to Government Vehicles and their Misuse.**

Deputy District Education Officer (W), Murree, District Rawalpindi-  
Rs.29,790/-.

**15.5.2004** The Department explained that the para was settled in SDAC meeting held on 10.5.1999 after verification of relevant record.

On the recommendation of audit, the **Committee settled the para.**

**239.        Para No.68.2.**

Director Elementary Education, Multan-Rs.18,972/-.

**13.8.2004** The Department stated that total amount of Rs.18,972/- had been recovered from Mrs Rehmat Jahan, Ex-Director (EE) Multan Division and deposited into government treasury.

On the verification and recommendation of audit, **the para was settled.**

**240.        Para No.68.3.**

Director Elementary Education, Dera Ghazi Khan-Rs.101,546/-.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that action against the officers/officials involved in the matter pertaining to the para was pending at different stages including inquiries.

The Department was directed to finalize the necessary action within 45 days and the **para was kept pending.**

**241. Para No.68.4.**

District Education Officer (W-EE) Muzaffargarh-Rs.39,500/-.

**5.1.2005** Audit had pointed out that expenditure to the stated extent was incurred on account of repair to Government vehicles and POL but no satisfactory evidence as to the necessity and accountal etc. of the expenditure was produced.

The Department stated that the matter was probed into and as per probe report, the expenditure had been found in order.

The Committee **decided to settle the para subject to verification of record by Audit.**

**242. Para No.69 Page 61 of Audit Report for the year 1998-99; Recovery of Expenditure of Rs.1,112,629/- Due to Irregular Change of Cadre.**

**13.8.2004** The Department explained that the para was pending for want of regularization of expenditure/irregularity etc. by the competent authority/Finance Department.

The Committee directed the department to get the matter regularized from the competent authority within 90 days.

The para was kept pending.

**5.1.2005** The Department explained that the case of regularization had been submitted to the Finance Department for obtaining ex-post facto sanction. The sanction was still awaited.

The Department was directed to finalize the necessary action within 7 days. The **para was kept pending.**



**243.            Para No.70.1 Pages 48, 61 & 62 of Audit Report for the year 1998-99; Loss to Government Amounting to Rs.191,652/- Due to Appointment in Summer Vacation.**

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Deputy District Education Officer (M), Dera Ghazi Khan-  
Rs.140,202/-.

**15.5.2004**        Audit had pointed out that expenditure to the tune of Rs.140,202/- was incurred due to stop gap appointment which was regularized overnight without observing the prescribed procedure.

The Department explained that the para was discussed in SDAC meeting dated 4.11.1999, which had directed to initiate action against Mr. Liaquat Ali, the then Deputy DEO(M-EE) for regularizing the services of Mr. Nasarullah who was temporarily appointed against a leave vacancy in violation of the rules. The requisite action was delayed due to abolition of Divisional Directorate. However, now action under RSO 2000 against the officer concerned was under process.

The Committee kept the para pending and directed the department to complete the action against the accused within 60 days under intimation to PAC.

**13.8.2004**        The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005**        The Department stated that action was under way.

The Department was directed to complete the necessary action within 15 days and **the para was kept pending.**

**244.            Para No.71 Page 62 of Audit Report for the year 1998-99; Local Purchase of Stationery Worth Rs.82,451/- at Higher Rates.**

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**5.1.2005**        The Department explained that as per inquiry report, all codal formalities except

NAC from Government Printing Press Lahore had been duly observed and the loss sustained to the extent of Rs.7,589/- had been deposited into Government treasury.

The **Committee decided to settle the para subject to verification of record by Audit.**

**245.            Para No.72.1 Pages 48 & 63 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.1,600,000/- on Purchase of Cotton Durries (Tats) and Teaching Material.**

Deputy District Education Officer (W), Muzaffargarh-Rs.500,000/-.

**13.8.2004**    The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005**        The Department explained that regularization case was being pursued vigorously.

The Department was directed to finalize the necessary action within 90 days and **the para was kept pending.**

**246.            Para No.72.2.**

Deputy District Education Officer (W), Muzaffargarh-Rs.400,000/-.

**13.8.2004**    The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005**        The Department explained that regularization case was being pursued vigorously.

The Department was directed to finalize the necessary action within 90 days and **the para was kept pending.**

**247.           Para No.72.3.**

Deputy District Education Officer (W), Jatoi District Muzaffargarh-  
250,000/-.

**15.5.2004**       The Department explained that in the light of the findings of the inquiry held into the matter, the splitting up of expenditure was established. Therefore, the case for regularization/ex-post facto sanction had been moved to the Finance Department.

The Committee conditionally settled the para subject to regularization of expenditure by the Finance Department.

**13.8.2004**       The Department explained that the para was pending for want of regularization of expenditure/irregularity etc. by the competent authority/Finance Department.

The Committee directed the department to get the matter regularized from the competent authority within 90 days.

The para was kept pending.

**5.1.2005**       The Department explained that the case for regularization had been submitted to the Finance Department for obtaining ex-post facto sanction and the same was still awaited.

The Department was directed to finalize the necessary action within 7 days and the **para was kept pending.**

**248.           Para No.72.4.**

Deputy District Education Officer (W), Dera Ghazi Khan-Rs.200,000/-.

**13.8.2004**       The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005**

The Department explained that action was being pursued.

The Department was directed to finalize the necessary action within 7 days. The **para was kept pending.**

**249**

**Para No.72.5.**

Deputy District Education Officer (M), Taunsa District Dera Ghazi Khan-  
Rs.250,000/-.

**13.8.2004**

The Department explained that the para was pending for want of regularization of expenditure/irregularity etc. by the competent authority/Finance Department.

The Committee directed the department to get the matter regularized from the competent authority within 90 days.

The para was kept pending.

**5.1.2005**

The Department explained that action was being pursued.

The Department was directed to finalize the necessary action within 7 days. The **para was kept pending.**

**250.            Para No.73.1 Pages 48, 63 & 64 of Audit Report for the year 1998-99; Irregular and Un-economical Expenditure of Rs.199,959/- on Printing from Private Presses.**

Deputy District Education Officer (M), Taunsa District Dera Ghazi Khan-  
Rs.100,000/-.

**13.8.2004**

The Department stated the ex post facto sanction of Rs.1,00,000/- for the purchase of stores accorded by Secretary Education had been presented to audit for verification..

The Audit verified the departmental contention.

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

**251.        Para No.74.1 Pages 48 & 64 of Audit Report for the year 1998-99; Irregular and Uneconomical Expenditure of Rs.2,352,752/- on Purchase of Stationery and Room Cooler.**

Deputy District Education Officer (W-EE), Kharian District Gujrat-  
Rs.247,200/-.

**5.1.2005**        Audit pointed out that irregular /un-economical expenditure was incurred on the local purchase of stationery etc.

The Department explained that according to the findings of the probe officer, the purchase was made after observing all codal formalities

The para had been discussed in the SDAC meeting held on 19-20 February 1999 and was recommended for settlement.

The Departmental contention was supported by the Audit, therefore, the Committee decided to **settle the para.**

**252.        Para No.74.2.**

Director Elementary Education, Dera Ghazi Khan-Rs.171,278/-.

**15.5.2004**        Audit had pointed out that purchase was made without observing codal formalities as required under the Financial Rules.

The Department explained the position about each para and stated that case for regularization in respect of the above mentioned para had been moved to Finance Department.

Audit, however, observed that record was not being produced to them for verification.

The Committee directed that the Department should produce the relevant record to audit and call the explanation of the DDO for not producing the record under intimation to PAC.

**The para was kept pending.**

**253.        Para No.74.3.**

Director Elementary Education, Dera Ghazi Khan-Rs.20,400/-.

**15.5.2004** Audit had pointed out that purchase was made without observing codal formalities as required under the Financial Rules.

The Department explained the position about each para and stated that case for regularization in respect of the above mentioned para had been moved to Finance Department.

Audit, however, observed that record was not being produced to them for verification.

The Committee directed that the Department should produce the relevant record to audit and call the explanation of the DDO for not producing the record under intimation to PAC.

That para was kept pending.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that para was referred to the Sub-Committee of PAC.

The **para was kept pending till the finalization of report of Sub-Committee.**

**254.        Para No.74.4.**

District Education Officer (W-EE), Dera Ghazi Khan-Rs.470,000/-.

**15.5.2004** Audit had pointed out that purchase was made without observing codal formalities as required under the Financial Rules.

The Department explained the position about each para and stated that case for regularization in respect of the above mentioned para had been moved to Finance Department.

Audit, however, observed that record was not being produced to them for verification.

The Committee directed that the Department should produce the relevant record to audit and call the explanation of the DDO for not producing the record under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that para was referred to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.

**The para was kept pending till the finalization of report of Sub-Committee.**

**255.           Para No.74.5.**

District Education Officer (W-EE), Rajanpur-Rs.663,940/-.

**15.5.2004** Audit had pointed out that purchase was made without observing codal formalities as required under the Financial Rules.

The Department explained the position about each para and stated that case for regularization in respect of the above mentioned para had been moved to Finance Department.

Audit, however, observed that record was not being produced to them for verification.

The Committee directed that the Department should produce the relevant record to audit and call the explanation of the DDO for not producing the record under intimation to PAC.

The para was kept pending.

**13.8.2004** The Department explained that the para was pending for want of regularization of expenditure/irregularity etc. by the competent authority/Finance Department.

The Committee directed the department to get the matter regularized from the competent authority within 90 days.

The para was kept pending.

**5.1.2005** The Department explained that para was referred to Sub-Committee headed by



Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.

**The para was kept pending till the finalization of report of Sub-Committee.**

**256. Para No.74.6.**

Deputy District Education Officer (M), Jatoi, District Muzaffargarh-Rs.200,000/-.

**15.5.2004** Audit had pointed out that purchase was made without observing codal formalities as required under the Financial Rules.

The Department explained the position about each para and stated that case for regularization in respect of the above mentioned para had been moved to Finance Department.

Audit, however, observed that record was not being produced to them for verification.

The Committee directed that the Department should produce the relevant record to audit and call the explanation of the DDO for not producing the record under intimation to PAC.

The para was kept pending.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** Department explained that case for regularization/ex-post facto sanction had been moved to the Finance Department. The decision was awaited.

The Department was directed to finalize the necessary action within 45 days. **The para was kept pending.**

**257. Para No.74.7.**

Deputy District Education Officer (M) Muzaffargarh-Rs.579,934/-.

**13.8.2004** The Department explained that action against the officers/officials involved in the

matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that regular disciplinary proceedings and regularization case was being pursued vigorously.

The Department was directed to finalize the necessary action within 45 days. The **para was kept pending.**

**258. Para No.75.1 Pages 48 & 65 of Audit Report for the year 1998-99; Illegitimate Expenditure of Rs.14,413,793/- on Payment of Salaries to Teachers Irregularly Appointed.**

Deputy District Education Officer (M) Ferozewala District Sheikhpura-Rs.561,818/-.

**13.8.2004** The Department explained that as per scrutiny of record, the professional certificates held by 5 EETs were not found correct. Hence their services were terminated. However, salary was paid to them for the period they performed duty.

The Department further stated that record in respect of 5 PTC teachers was cross checked and it was found that their recruitment was made on merit. However, action against ex DEO as well as DDOs was being initiated.

The Committee directed the Department to produce relevant record to audit for verification and also finalize action against the defaulters within 90 days under intimation to it.

The **para was kept pending.**

**259. Para No.75.2.**

Deputy District Education Officer (W) Multan-Not Assessed.

**13.8.2004** The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

The para was kept pending.

**5.1.2005** The Department explained that the relevant record regarding Mr. Khalid Hussain had been verified by the Audit.

The Department was directed to get the requisite remaining record verified by the Audit within 90 days.

The **para was kept pending**.

**260.           Para No.75.3.**

Deputy District Education Officer (M) Dera Ghazi Khan-Rs.2,098,561/-.

**13.8.2004** The Department stated that complete record in response to audit observations was available for verification.

The Audit, however, stated that the relevant record was not produced on 30.7.2004, the date fixed with the Department for the purpose.

The Committee directed the Department to produce the relevant record to audit for verification within 90 days.

The para was kept pending.

**5.1.2005** The Department explained that as per probe report findings, no lacuna had been found in the appointments. The Department further contended that the requisite advertisement and merit list had been verified by the Audit.

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

**261.           Para No.75.4.**

Deputy District Education Officer (M) Dera Ghazi Khan-Rs.180,630/-.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that recovery of the duty period was not due in the light of Government policy/judgment of the Honourable High Court/Supreme Court of Pakistan.

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

**262. Para No.75.5.**

Deputy District Education Officer (W) Dera Ghazi Khan-Rs.6,680,299/-.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that the requisite action was in process.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.**

**263. Para No.75.6.**

Deputy District Education Officer (W) Dera Ghazi Khan-Rs.2,826,627/-.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that the requisite action was in process.

**The Committee decided to refer the para to Sub-Committee headed by Sardar**

**Muhammad Yousaf Khan Leghari, MPA for examination and report.**

**264.            Para No.75.8.**

Deputy District Education Officer (W) Shujaabad District Multan-Rs.75,354/-.

**13.8.2004**    The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005**    The Department explained that as a result of inquiry ordered by the DPI (EE) on 19.11.2002, the EDO(E), Multan had requested to the Secretary Education for disciplinary proceedings against three officers proved guilty as per inquiry report.

The Department was directed to complete the necessary action within 60 days and the **para was kept pending.**

**265.            Para No.76 Page 66 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.95,800/- on Pay and Allowances of a Lady Teacher Appointed Without Eligibility.**

**13.8.2004**    The Department explained that Miss Parveen Bibi, resident of Khairpur Tamewali was appointed by Deputy DEO, Tehsil Hasilpur. However, the dealing officer remained within the jurisdiction of Hasilpur up to 11/1993 and afterwards new Tehsil started functioning as independent Tehsil as far as Education Department was concerned. Therefore, no out of Tehsil domicile appointment was involved.

The Audit verified the departmental contention.

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

**266.            Para No.77 Pages 66 & 67 of Audit Report for the year 1998-99; Loss Of Rs.111,077/- due to Auction Of Waste Paper At Lower Rates.**

**13.8.2004**    Audit had pointed out that loss was caused to Board's revenues by adopting defective auction procedure and undue favoritism to the contractor.

The Department explained that necessary probe into the matter had since been initiated.

The Committee kept the para pending till the completion of the inquiry.

**3.1.2005** The Department explained that pursuant to the directions of PAC dated 13.8.2004, the inquiry had been finalized and no irregularity was found in the transaction. Moreover, tender notice for the auction of waste paper was published through National newspapers.

The Committee accepted the explanation of the Department and **decided to settle the para.**

**267. Para No.80 Page 69 of Audit Report for the year 1998-99; Irregular Payment of Pay and Allowances Amounting to Rs.84,826/- to a Lady Teacher Appointed Retrospectively in Dubious Circumstances.**

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that the requisite action was in process.

The Department was directed to complete the necessary action within 45 days and the **para was kept pending.**

**268. Para No.81.1 Pages 49 & 69 of Audit Report for the year 1998-99; Bogus/Fictitious Expenditure of Rs.68,570/-.**

Deputy District Education Officer (M) Gujranwala-Rs.21,435/-.

**13.8.2004** The Department stated that ex-post facto sanction by competent authority had been obtained with reference to audit observations from Sr.No.2 to 8. The Department explained the position regarding calling of quotations, requisitions for repair of furniture/machinery, availability of old parts etc and argued that no misappropriation/embezzlement was involved. The audit could verify the relevant record.

The Audit verified the departmental contention about ex post facto sanction and desired that entire amount of Rs.21435/- be recovered from the defaulters.

The Committee directed the Department to produce the relevant record to the audit and ensure recovery in the light of audit observations under intimation to PAC.

**The para was kept pending.**

**269.            Para No.82.1 Pages 49 & 70 of Audit Report for the year 1998-99; Expenditure of Rs.18,278,359/- on Account of Payments of Salaries to Irregular/ Unlawful Appointees.**

Deputy District Education Officer (M), Haroonabad, District Bahawalnagar-Rs.219,358/-.

**15.5.2004**        Audit had pointed out that two teachers were appointed without observing merit and in contravention of Government recruitment policy.

The Department explained that services of both the teachers had already been terminated. However, action against the then appointing authority was in process.

On the recommendation of audit, **the Committee settled the para.**

**270.            Para No.82.3.**

Deputy District Education Officer (W) Dera Ghazi Khan-Rs.314,075/-.

**13.8.2004**        The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

**The para was kept pending.**

**271.            Para No.83 Pages 49 & 71 of Audit Report for the year 1998-99; Un-authorized Retention of Government Money and Utilization of Lapsed amount of Rs.7,465,738/- After Close of Each Financial**



**Year.**

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Director, Staff Development Project Punjab, Lahore-Rs.7,465,738/-.

**15.5.2004** The Department explained that the Finance Department vide its letter dated 21.9.2001 had allowed the keeping of funds in the authorized Bank account, allocated for teachers training courses to be held during the summer vacation of 1995 and 1996.

Audit observed that instructions contained in Finance Department's letter dated 7.12.1994 regarding keeping of working balance in commercial banks were violated, hence regularization was needed.

The Committee directed the department to get the matter regularized by the Finance Department.

**The para was kept pending.**

**272. Para No.84 Pages 71 & 72 of Audit Report for the year 1998-99;  
Irregular Expenditure of Rs.153,360/- on Printing from Private  
Press.**

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Director, Secondary Education, Dera Ghazi Khan-Rs.153,360/-.

**14.5.2004** The Department explained that the said amount was spent on the printing of admission forms, date sheets and question papers from private firms after obtaining ex-post facto sanction/NOC from the Government Printing Press. Necessary codal formalities were fulfilled, however, tenders through press were not invited because expenditure on each item of printing was less than Rs.150,000/-. The record was available for verification.

The Committee kept the para pending for verification of relevant record by audit.

**4.1.2005** The Department explained that the said amount was spent on the printing of Admission Forms, Date Sheets and Questions Papers from private firms after obtaining NOC from Government Printing Press. Necessary codal formalities were fulfilled.

The Committee accepted the explanation of the Department and **decided to settle the para.**

**273. Para No.85 Page 72 of Audit Report for the year 1998-99; Irregular Expenditure Of Rs.1,467,563/- On Payment Of Daily Wages to Workers.**

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**13.5.2004** Audit had pointed out that officials were appointed on daily wages in the wake of ban imposed by the Government vide its letter dated 15.10.1997.

The Department explained that daily wages staff was being engaged by the Board against its sanctioned strength since 1991. Moreover, the directions contained in the letter about austerity measures viz-a-viz the Board were declared inoperative and without lawful authority by the Lahore High Court.

On the recommendation of audit, **the Committee settled the para.**

**274. Para No.86.1 Pages 73 & 74 of Audit Report for the year 1998-99; Irregular and Uneconomical Purchase of Education Material Science Kits for Rs.401,000/- (Recovery of Rs.131,047/-).**

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Deputy District Education Officer (M) Pindigheb District Attock-Rs.198,000/-.

**13.8.2004** The Department stated that in response to tenders floated through national press for purchase of educational material/science kits, only one quotation was received which was not accepted. However, Director (EE), Rawalpindi division directed adoption of rates of Tehsil FatehJhang for the purchase of the said material. Accordingly, the material was purchased from M/S Chaurdhry Drawing and Stationery Store, Rawalpindi, being the lowest bidder of Tehsil Fateh Jhang.

Finance Department observed that wide publicity through press was required for purchases exceeding Rs.1 lac and in case of receipt of only one tender, the same was needed to be approved by the next higher authority. Therefore, procedural irregularity in this case was involved.

The Committee directed the Department to get the irregularity condoned by the Competent Authority within 90 days.

The para was kept pending.

**5.1.2005** The Department stated that a case in this regard had been moved to DPI(EE) on 14.12.2004. Decision was still awaited.

The Committee directed the Department to finalize the case within 30 days and the para was kept pending.

**275. Para No.86.2.**

Deputy District Education Officer (W), Pindigheb District Attock-Rs.203,000/-.

**15.5.2004** The Department explained that in response to tenders floated through national press for the purchase of education materials only one quotation was received which was not accepted and the Purchase Committee directed for adoption of rates accepted for Tehsil Fateh Jang. Therefore, order for supply of material was placed with M/S Chaudhry Traders Rawalpindi being the lowest bidder of the said Tehsil. The requisite record was properly maintained. In view of adoption of lowest rates of Tehsil Fateh Jang, the Government had sustained no loss.

The Committee accepted the explanation of the department and **settled the para.**

**276. Para No.87.1 Pages 73, 74 & 75 of Audit Report for the year 1998-99; Irregular and Uneconomical Expenditure of Rs.6,048,808/-.**

Deputy District Education Officer (W) Pasrur District Sialkot-Rs.2,364,168/-.

**13.8.2004** The Department explained the position in detail and stated that the recruitment of English Teachers and payment made to them was justified. The record was available for verification. The audit, however, stated that the record was not produced to it on the dates fixed for verification i.e. 6.5.2004 and 30.7.2004.

The Committee directed the Department to produce the record to audit for verification within 90 days and also take action against the officers concerned who did not produce record at the time of verification.

The para was kept pending.

**5.1.2005** The Department explained that the record was available for verification by the Audit, however, due to transfer of the DDO, he left the charge of the office and the then DDO

could not attend verification on the scheduled date. However, the new DDO contacted the Audit Office for seeking new schedule for verification of record.

The para was kept pending.

**277.            Para No.87.2.**

Deputy District Education Officer (M) Minchinabad District Bahawalnagar-Rs.160,000/-.

**13.8.2004**    The Department explained that due to river flood, building of the school was destroyed and population of feeding villages was shifted to other areas and resultantly enrolment of the school was decreased to 35/40 students. However, the District Government had been asked to rationalize the strength of the staff. The record was available which could be verified.

The Committee directed the Department to produce record to audit for verification.

The para was kept pending.

**5.1.2005**    The Department contented that at present only one PTC one EST and one class-IV were on the roll of the staff and the District Government had been requested to rationalize the staff.

The **Committee decided to settle the para subject to verification of record by Audit.**

**278.            Para No.87.3.**

Deputy District Education Officer (M) Kabirwala District Khanewal-Rs.1,196,274/-.

**13.8.2004**    The Department explained that verification of record by audit was required in respect of aforesaid para.

The Committee directed the department to get the relevant record verified by audit within 90 days.

The para was kept pending.

**5.1.2005**    The Department explained that Probe Officer reported that the schools under observation were established on different dates on the demand and requirement of the area.

**The Committee directed the Department to get the relevant record verified by the Audit within 15 days and the para was kept pending.**

**279.            Para No.90.1 Pages 76 & 79 of Audit Report for the year 1998-99; Recovery of Un-Adjusted Advances Worth Rs.1,122,515/-.**

Director Staff Development Punjab, Lahore-Rs.444,530/-.

**15.5.2004**     The Department explained that the vouched account of Rs.350,875.50 had been received and the unspent balance of Rs.75,530/- was refunded and deposited into relevant account.

Audit observed that department had not commented on the amount of Rs.677,985/- advanced to various departmental officers.

**The Committee kept the para pending for balance recovery/ adjustment and verification of vouched accounts by the audit.**

**280.            Para No.90.2.**

Provincial Project Coordinator Non Formal Basis Education, Lahore-Rs.677,985/-.

**15.5.2004**     The Department explained that the vouched account of Rs.350,875.50 had been received and the unspent balance of Rs.75,530/- was refunded and deposited into relevant account.

Audit observed that department had not commented on the amount of Rs.677,985/- advanced to various departmental officers.

**The Committee kept the para pending for balance recovery/ adjustment and verification of vouched accounts by the audit.**

**281.            Para No.91.1 Pages 76 & 80 of Audit Report for the year 1998-99; Recovery of Rs.1,153,709/- on Account of House Rent/Conveyance Allowance.**

Government High School for Boys Baghbanpura, Lahore-Rs.29,054/-.

**14.5.2004**     The Department explained that the entire amount had been recovered and deposited into Government treasury.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**4.1.2005** The Department explained that the entire amount had been recovered and deposited into Government Treasury. Credit verification of Rs.29054/- duly verified by the Treasury Officer, Lahore had been seen by the Audit.

The Departmental contention was supported by the Audit. **The Committee decided to settle the para.**

**282.           Para No.91.2.**

Government Kashmir High School Baghbanpura, Lahore-Rs.34,360/-.

**14.5.2004** The Department explained that the entire amount of Rs.34,360/- had been recovered and deposited into Government treasury.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**4.1.2005** The Department explained that the entire amount of Rs.34,360/- had been recovered and deposited into Government Treasury.

The Department was directed to produce the requisite credit verification either duly signed by the Treasury Officer, Lahore himself or to identify the authorized officer, who verified the said deposit. **The para was kept pending.**

**283.           Para No.91.3.**

Board of Intermediate & Secondary Education, Lahore- Rs.601,132/-

**13.5.2004** The Department explained that the HRA @ 50% of basic pay was being allowed to the employees of the Borad as per decision of the Lahore High Court. The difference in allowances was discussed in the Cabinet meeting dated 12.7.2002 which unanimously reaffirmed the competency of the Board in respect of pay and allowance of its employees.

On the recommendation of audit, **the Committee settled the para.**

**284.           Para No.91.5.**

Central Library Bahawalpur – Rs.118,973/-

**13.5.2004** The Department explained that occupants of single room quarters were low paid employees who were not in a position to deposit Government recovery in lump sum. Therefore, requisite recoveries from their salaries in installments were being made.

The Committee conditionally settled the para subject to recovery.

**13.8.2004** The Department stated that the occupants of single room quarters being low paid employees were not in a position to deposit government recovery in lumpsum. Therefore, recovery was being made in installments @ Rs.100/- to Rs.150/- from their salaries.

The Committee settled the para subject to balance recovery and verification thereof by audit.

**3.1.2005** The Department explained that pursuant to the direction of PAC, balance recovery was in progress.

The para was kept pending till effecting the complete recovery.

**285. Para No.91.6.**

Central Library Bahawalpur – Rs.38,496/-

**13.5.2004** The Department explained that the recovery of conveyance allowance from occupants of Government accommodations located in Library premises was being made in installments from their salaries @ Rs.50/- per month.

The Committee directed the Department to refer the matter to competent authority for write off sanction.

The para was kept pending.

**13.8.2004** The Department explained that the recovery of conveyance allowance from occupants of government accommodation located in Library premises was being made in installments.

The Committee directed the Department either to recover the amount or get write off sanction from competent authority in this regard.

The para was kept pending.



**3.1.2005** The Department explained that the recovery process was under progress.

The **para was kept pending for effecting balance recovery.**

**286. Para No.91.7.**

Government Comprehensive High School, Sheikhupura-Rs.125,572/-.

**14.5.2004** The Department explained that the residence of the Principal was not worth living as it was declared dangerous by the Buildings Department. Mr. Sana Ullah Khan (Head Clerk) occasionally resided there with the permission of the Principal, but house rent was deducted from his salary.

Audit observed that in case residence had been declared dangerous, exemption for non-availability of designated residence and sanction to draw House Rent Allowance was required to be obtained from competent forum.

The Committee conditionally settled the para subject to regularization of the case in the light of audit observations by the competent authority.

**4.1.2005** The Department stated that the case of regularization was under process. The Department further contended that residence building of the Principal of the School had been declared dilapidated by the Building Department. Mr. Sanaullah Khan Sherwani, Head Clerk (now retired) of the school used a portion for his temporary accommodation. No house rent allowance had been drawn and paid to him. Normal deduction from his salary had been made.

The Committee accepted the explanation of the department, the **para was settled.**

**287. Para No.91.8.**

Deputy District Education Officer (W-EE) Sargodha-Rs.47,518/-.

**13.8.2004** The Department stated that the actual recoverable amount came to Rs.30300/50 against the amount of Rs.47518/50 as pointed by the Audit. The Department stated in the meeting that now balance recovery of Rs.710/- remained to be realized. Audit, however, pointed out that credit verification of some amount was also to be produced.

The Committee directed the Department to effect balance recovery and also get the recovery already effected verified by audit.

The para was kept pending.

**5.1.2005** The Department explained that credit verification had been seen and verified by the Audit.

The Departmental contention was supported by the Audit, therefore, **Committee decided to settle the para.**

**288.            Para No.91.9.**

Director Staff Development Project Lahore-Rs.67,714/-.

**15.5.2004** The Department explained that as per the policy laid down in Finance Department's letter dated 16.5.1977, the conveyance allowance was paid to those employees who resided outside the defined premises of the office. It was contended that as per the layout-plan, the residential quarters were located outside the office premises of Education Extension Centre. The Department added that except for one officer, the others who resided in those quarters were low paid employees of grade 1-5.

Finance Department observed that conveyance allowance would not be admissible if houses were situated within the office premises.

The **Committee conditionally settled the para subject to write off sanction by the Finance Department.**

**289.            Para No.91.10.**

Deputy District Education Officer (M-EE), Sheikhpura-Rs.24,293/-.

**5.1.2005** Audit pointed out that house rent and conveyance allowance were paid without entitlement

The Department explained that recovery of Rs.24,293/- had been effected by the Department, which had been seen and verified by the Audit.

The Departmental contention was supported by the Audit, therefore, **Committee decided to settle the para.**

**290.            Para No.92.1 Pages 76, 80 & 81 of Audit Report for the year 1998-99; Recovery of Rs.481,618/- on Account of Tuition Fee Less Realized/**

**Embezzled, Etc.**

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Government High School for Girls Abdullapur Kollar, District Sheikhupura-Rs.40,157/-.

**14.5.2004** The Department explaining the position about tuition fee stated that the actual amount realized from the students was Rs.15,245/- instead of Rs.20,370/- which had been entered in the Cash Book. About the fee concession, it was explained that fee concession of Rs.19,493/- and not Rs.19,787/- was allowed to the teachers' daughters and poor students. Moreover, an amount of Rs.300/- had been deposited into Government treasury.

The Committee accepted the explanation of the department and **settled the para.**

**291. Para No.92.2.**

Deputy District Education Officer (W) Okara-Rs.27,586/-.

**13.8.2004** The Department stated that total amount of Rs.27,586/- had been recovered and deposited into government treasury.

On the verification and recommendation of audit, **the para was settled.**

**292. Para No.92.3.**

Government Muslim Higher Secondary School Said Pur Road, Rawalpindi-Rs.328,271/-.

**14.5.2004** The Department explained that Mr. Haq Hawaz (S.S) who was responsible for total embezzlement of Rs.393,311/- was proceeded against and removed from service. Recovery of the said amount was also imposed upon him and steps were being taken to effect the same.

The Committee kept both the para pending and directed the department to effect recovery from the official concerned within 90 days.

**4.1.2005** The Department had contended that the PST in its decision dated 4-6-2004 reduced the penalty of recovery from Rs.481,518/- to Rs.138,998/- but nothing had been recovered.

The Department was directed to effect the recovery of Rs.138,998/- at the earliest. **The para was kept pending.**

**293. Para No.92.4.**

Government Muslim Higher Secondary School Said Pur Road,  
Rawalpindi-Rs.65,040/-.

**14.5.2004** The Department explained that Mr. Haq Hawaz (S.S) who was responsible for total embezzlement of Rs.393,311/- was proceeded against and removed from service. Recovery of the said amount was also imposed upon him and steps were being taken to effect the same.

The Committee kept both the para pending and directed the department to effect recovery from the official concerned within 90 days.

**4.1.2005** The Department had contended that the PST in its decision dated 4-6-2004 reduced the penalty of recovery from Rs.481,518/- to Rs.138,998/- but nothing had been recovered.

The Department was directed to effect the recovery of Rs.138,998/- at the earliest.  
**The para was kept pending.**

**294.            Para No.92.5.**

Government High School Ali Pur, District Muzaffargarh-Rs.20,564/-.

**14.5.2004** The Department explained that recoverable amount was Rs.20,964/- instead of Rs.20,564/- which after recovery had been deposited into Government treasury.

On the recommendation of audit, the **Committee settled the para.**

**295.            Para No.93 Pages 76 & 81 of Audit Report for the year 1998-99;  
Recovery of Rs.119,116/- on Account of Utility Service Charges.**

Director, Staff Development Project Punjab, Lahore-Rs.119,116/-.

**15.5.2004** Audit had pointed out that 17 residences located within the premises of the project office were being supplied with gas for domestic purposes from the main supply line at nominal/unapproved rates which had resulted in additional expenditure to the extent of Rs.119,116/-.

The Department explained that the deduction on account of gas charges were being made according to rates specified in S&GAD's notification dated 12.10.1983.

The Committee observed that the Department should refer the S&GAD's letter

under reference to Finance Department for advice and also produce the relevant record to audit.

**The para was kept pending.**

**296. Para No.95 Pages 82 & 83 of Audit Report for the year 1998-99;  
Irregular Expenditure Of Rs.69,350/- On Account of Purchase Of  
Typewriters**

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**13.5.2004** Audit had pointed out that electric typewriters were locally purchased without obtaining approval of the Finance Department as required vide its letter dated 15.10.1997. Moreover, late delivery charges were not recovered.

The Department explained that Finance Department's letter under reference was forwarded to the Board by the Education Department vide its letter dated 4.5.1998 when the purchase procedure had already been finalized. Moreover, the implications of the letter pertaining to austerity measures viz-a-viz the Board had been declared inoperative and without lawful authority by the Lahore High Court. It was further stated that purchase was made from an authorized dealer of IBM and as per letter issued for calling quotations, no condition was prescribed by the Board. Hence penalty could not be imposed.

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

**297. Para No.98 Pages 77 & 84 of Audit Report for the year 1998-99;  
Recovery of Rs.99,216/- on Account of Private/Un-authorized Use of  
Government Vehicle.**

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Deputy District Education Officer (W), Kabirwala, District Khanewal-  
Rs.99,216/-.

**15.5.2004** The Department explained that Mst. Shamim Bashir, the concerned Deputy DEO (W-EE) had already been dismissed from service on the allegation of misconduct and irregular appointments.

The Committee conditionally settled the para subject to recovery from the user/officer concerned.

**5.1.2005** The Department explained that the concerned Deputy DEO (W-EE) had already been dismissed from service on the allegation of misconduct and irregular appointments.

**The Committee decided to settle the para subject to verification of recovery by**

**Audit.****298. Para No.99 Page 85 of Audit Report for the year 1998-99; Excess Consumption Of POL Valuing Rs.207,175/- Beyond The Ceilings Prescribed By Government.**

**13.5.2004** Audit had pointed out that the expenditure on POL was in excess of the ceiling prescribed by the Government vide its letter dated 3.7.1991 within Metropolitan Corporation area.

The Department explained that the Board was performing functions of peculiar nature with reference to conduct of examinations throughout the area of its jurisdiction which required visit/inspection of examination centres and performance of other duties by the officers of the Board. Therefore, the Board had exempted its officers from the limits prescribed by the Government in respect of consumption of petrol.

Finance Department observed that the matter related to the scrutiny of the log books.

The Committee conditionally settled the para subject to verification of log books of vehicles by audit and directed the department to ensure the maintenance of log books as per rules on the subject.

**3.1.2005** The Department contented that Board had exempted its officer of the limits prescribed by the Government in respect of consumption of patrol because the officers of the Board had to perform multifarious duties such as inspection of examination centres and practical laboratories constituted for the conduct of its examinations, inspection of educational institutions etc.

The Committee accepted the explanation of the Department and **decided to settle the para.**

**299. Para No.100.1 Pages 77, 85 & 86 of Audit Report for the year 1998-99; Loss of Rs.103,502/- to Government Due to Less Deposit/Realization of Tuition Fee Etc. At Lesser Rates.**

Deputy District Education Officer (W), Multan-Rs.57,395/-.

**15.5.2004** Audit had pointed out that the tuition fee was continued to be realized at older rate of Rs.5/- per month instead of Rs.10/- per month resulting in loss to Government.

The Department explained that the entire amount had been recovered and

deposited into Government treasury.

Audit, however, verified deposit of Rs.54,370/- leaving balance of Rs.3,025/-.

The Committee conditionally settled the para subject to balance recovery and verification of recovery already effected by audit.

**5.1.2005** The Department explained that the entire amount had been recovered and deposited into Government treasury.

The Departmental contention was supported by the Audit, therefore, **the Committee decided to settle the para.**

**300.            Para No.100.2.**

Deputy District Education Officer (W) Multan-Rs.46,107/-.

**13.8.2004** The Department stated that actual amount of recovery came to Rs.45,253/- which had been deposited into the bank account.

The Audit verified the departmental contention.

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

**301.            Para No.101.1 Pages 77 & 86 of Audit Report for the year 1998-99; Recovery of Rs.471,869/- On Account Of Shortage Of Library Books.**

Government Model Town Public Library, Lahore – Rs.96,755/-

**13.5.2004** The Department explained that the loss pertained to five years i.e. from 1994 to 1998. The administrative department was competent to write off losses upto Rs.20000/- annually and loss per year in the instant case was less than Rs.20000/-. However, the case had been referred to the competent authority for write off sanction.

The Committee kept the para pending for appropriate action/write off sanction by the competent authority.



**13.8.2004** The Department explained that the loss of Rs.96,755/- pertained to 5 years i.e., from 1994 to 1998 and that the Administrative Department was competent to write off losses up to Rs.20,000/- annually. Therefore, the ratio of the loss over 5 years came to 0.81 percent which was admissible under the Library Rules approved by the Board of Governors of NAHE, UGC and Quaid-e-Azam Library, Lahore.

The Committee accepted the reply of the Department and **settled the para.**

**302.           Para No.101.2.**

Director, Staff Development Project Punjab, Lahore-Rs.106,913/-.

**15.5.2004** The Department explained that the books were physically available in the library, however, a probe into this matter was also being made.

The **Committee kept the para pending with directions to complete inquiry within 30 days.**

**303.           Para No.101.3.**

Director, Staff Development Project Punjab, Lahore-Rs.70,678/-.

**15.5.2004** The Department explained that the scrutiny of issue register had revealed that 80% of issued books had been received back and defaulters had been reminded to return the remaining books. It was added that an inquiry into this matter was also being conducted.

The **Committee kept the para pending and directed the department to complete inquiry within 30 days.**

**304.           Para No.101.4.**

Central Library, Bahawalpur – Rs.103,685/-

**13.5.2004** The Department contended that as per the detailed report enclosed with the working paper covering the period from 1924 to 2001, the latest number of books accessioned in various stock registers upto 30.6.2001 was 85862 and after deducting 3469 weeded out books the actual number of stock in the library up to 30.6.2001 was 82393. Thus the losses to the library came to only 0.23% annually which was within the permissible limit of 0.5%.

The Committee observed that the annual loss being within permissible limit, be got regularized by competent authority. With this observation, the **para was settled.**

**305.           Para No.101.5.**

Central Library, Bahawalpur – Rs.63,300/-

**13.5.2004**    The Department explained that out of total 686 books, 15 books valuing Rs.1,198/- had been received back, leaving balance of 671 books valuing Rs.62,102/- which had been adjusted from the lapsed library securities of the defaulters/members.

The Committee conditionally settled the para subject to verification of relevant record/recovery by audit.

**13.8.2004**    The Department stated that 15 books amounting to Rs.1198/- had been received back and an amount of Rs.62,102/- had been deposited in government treasury after withdrawing it from the lapsed library securities of defaulters/members.

On the verification and recommendation of audit, **the para was settled.**

**306.           Para No.101.6.**

Government Higher Secondary School Ajianwala Sheikhpura-  
Rs.30,538/-.

**14.5.2004**    The Department explained that as per the findings of the inquiry held into the matter, 363 books were recovered from the staff and students during rechecking. Stock entries thereof were available. As further recommended by the Inquiry Committee, cost of 7 untraced books amounting to Rs.145/- had been recovered and deposited into Government treasury.

The Committee accepted the explanation of the department and **settled the para.**

**307.           Para No.102 Pages 86 & 87 of Audit Report for the year 1998-99; Recovery Of Income Tax No Effectuated From Suppliers While Making Payment Rs.739,142/-**

**13.5.2004**    The Department explained that Rs.12,587/- had been deducted from M/S Wood Working Services Centre, Gujrat on account of income tax @ 3.5%. Later, the firm provided a copy of the orders of the apex court regarding non-deduction of income tax which was not deducted in respect of payment of Rs.9,999,177/-. However, relevant record regarding deduction of income tax on account of denting/ painting of vehicles and auction of raddi, would be provided soon.

The Committee directed the Department to effect balance recovery.

**The para was kept pending.**

**3.1.2005** The Department explained that entire recovery had been effected. There was outstanding amount of Rs.44,200/- on account of recovery of income tax relating to auction of Raddi.

The Department was directed to recover balance amount at the earliest. **The para was kept pending.**

**308. Para No.103.1 Pages 88 & 89 of Audit Report for the year 1998-99; Record of Revenue Released Amounting to Rs.198,923/- not Produced to Audit.**

Government Girls High School Smanwala District Kasur-Rs.50,000/-.

**14.5.2004** The Department explained that recoverable amount was Rs.107,802/- instead of Rs.50,000/- which had been deposited into Government treasury. However, credit verification could not be done by DAO Kasur as the record was sealed by Military Authorities. The department requested to keep the para pending for further probe.

The para was accordingly kept pending.

**4.1.2005** The Department explained that an amount of Rs.107,802/- instead of Rs.50,000/- realized from the students w.e.f. 1.7.1990 to 3.12.1993 had been deposited into Government Treasury. Credit verification had been verified by the District Accounts Officer, Kasur on 18.12.2004. The relevant record was available for verification.

**The Committee decided to settle the para subject to verification of relevant record by the Audit.**

**309. Para No.103.2.**

Government Girls High School Abdullapur Kollar, District Sheikhupura-Rs.85,723/-.

**14.5.2004** The Department explained that total amount had been realized and deposited into Government treasury. However, DAO Sheikhpura did not certify credit verification on the ground that the record being more than 6 year's old had been disposed of.

The Committee directed the department to take up the matter with the Finance Department for appropriate action because record upto 12 years was required to be preserved.

The para was kept pending.

**4.1.2005** The Department explained that the Headmistress had again requested the DAO Sheikhpura for credit verification of the remaining period. The DAO stated that record for the remaining period had since been destroyed under PFR Vol-II Appendix-VI.

The Administrative Secretary assured that there was no embezzlement/ misappropriation of funds, the **Committee decided to settle the para.**

**310.            Para No.103.3.**

Government Higher Secondary School Khurrianwala District  
Faisalabad-Rs.63,200/-.

**14.5.2004** The Department explained that relevant record pertaining to Library Security Fund collected from students could not be produced to audit because the dealing clerk was on ex-Pakistan leave. The Department, however, contended that the said fund was not part of Provincial Consolidated Fund and hence not auditable.

Finance Department apprised the Committee that it was issuing fresh instructions to regulate students funds etc. and that Library Security Fund did not fall within purview of the audit.

The **Committee allowed to delete the para from the instant audit report and referred it to the administrative secretary for such action as deemed fit.**

**311.            Para No.104.1 Pages 88, 89 & 90 of Audit Report for the year 1998-99; Record of Auditable Expenditure Worth Rs.2,934,517/- Not Produced.**

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Director Staff Development Project Punjab, Lahore – Rs.2,858,274/-

**15.5.2004** The Department explained that the vouched accounts of Rs.2,793,719/- were available for verification.

The **Committee kept the para pending and directed the department to reconcile the figures with audit.**

**312.            Para No.104.2.**

Deputy District Education Officer (W), Lahore Cantt. – Rs.25,887/-

**15.5.2004** The Department explained that the vouched accounts of Rs.2,793,719/- were available for verification.

The Committee kept the para pending and directed the department to reconcile the figures with audit.

**5.1.2005** The Department explained that the vouched accounts had been verified by the Audit.

The Departmental contention was supported by the Audit, therefore, the Committee **decided to settle the para.**

**313.            Para No.104.3.**

Government High School Madar District Sheikhpura-Rs.50,366/-.

**14.5.2004** The Department explained that expenditure was incurred on disbursement of salaries of staff and purchase of different items etc. The relevant record was available for verification.

On the recommendation of audit, the **Committee settled the para.**

**314.            Para No.105.1 Pages 88 & 90 of Audit Report for the year 1998-99; Record of Expenditure of Rs.4,800,967/- not Produced-Likely Misappropriation.**

Deputy District Education Officer (M), Lahore Cantt-Rs.527,562/-.

**15.5.2004** The Department explained that the Executive District Officer (Edu) City District Government, Lahore had already ordered probe into the matters involved in the para.

The Committee directed the department to write to the EDO concerned to complete inquiry reports pertaining to pre-devolution period within 90 days under intimation to PAC.

The para was kept pending.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that the EDO (Education) City District Government, Lahore had constituted a probe committee for fact finding. The probe report was still awaited.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.**

**315. Para No.105.2.**

Deputy District Education Officer (M), Lahore Cantt-Rs.386,429/-.

**15.5.2004** The Department explained that the Executive District Officer (Edu) City District Government, Lahore had already ordered probe into the matters involved in the para.

The Committee directed the department to write to the EDO concerned to complete inquiry reports pertaining to pre-devolution period within 90 days under intimation to PAC.

The para was kept pending.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that the EDO (Education) City District Government, Lahore had constituted a probe committee for fact finding. The probe report was still awaited.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.**

**316. Para No.105.3.**

Deputy District Education Officer (M), Lahore Cantt-Rs.884,094/-.

**15.5.2004** The Department explained that the Executive District Officer (Edu) City District Government, Lahore had already ordered probe into the matters involved in the para.

The Committee directed the department to write to the EDO concerned to complete inquiry reports pertaining to pre-devolution period within 90 days under intimation to PAC.

The para was kept pending.

**13.8.2004** The Department explained that action against the officers/officials involved in the matter pertaining to the aforesaid para was pending at different stages including inquiry etc.

The Committee directed the department to finalize the necessary action within 90 days under intimation to PAC.

The para was kept pending.

**5.1.2005** The Department explained that the EDO (Education) City District Government, Lahore had constituted a probe committee for fact finding. The probe report was still awaited.

**The Committee decided to refer the para to Sub-Committee headed by Sardar Muhammad Yousaf Khan Leghari, MPA for examination and report.**

**317. Para No.105.5.**

Deputy District Education Officer (W) Jaranwala District Faisalabad-Rs.139,492/-.

**13.8.2004** The Department explained that as a result of a regular inquiry held under E&D Rules, minor penalty of stoppage of increments for 2 years was imposed on Mst Furkhanda Irshad Baloch, AEO (W-EE) Jaranwala, and that the amount objected by audit viz Rs.1,39,492/- had been disbursed by the said AEO after a period of one year.



The Audit verified the departmental contention.

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

**318.           Para No.105.6.**

Deputy District Education Officer (W), Bahawalnagar-Rs.2,793,124/-.

**15.5.2004**      The Department explained that the relevant record was available for verification by audit.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**5.1.2005**      The Department explained that the relevant record had been verified by the Audit.

The Departmental contention was supported by the Audit, therefore, **the Committee decided to settle the para.**

**319.           Para No.105.7.**

Deputy District Education Officer (M), Dera Ghazi Khan-Not assessed

**15.5.2004**      The Department explained that the relevant record was available for verification by audit. Moreover, the EDO (Education) D.G Khan had been directed to initiate disciplinary action against the incumbents who failed to produce record at the time of audit.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**13.8.2004**      The Department stated that the entire record was available for verification by audit.

The Committee directed the Department to produce the relevant to audit for verification at the earliest.

**The para was kept pending.**

**320.            Para No.109 Pages 92, 94 & 95 of Audit Report for the year 1998-99; Unauthorized Opening of Bank Account and Deposit of Huge Amount of Rs.33,472,522/-.**

Director, Staff Development Project Punjab, Lahore-Rs.33,472,522/-.

**15.5.2004** Audit had pointed out that Government funds were withdrawn from PLA and deposited into Commercial Bank without obtaining approval of the Finance Department.

The Department explained that Finance Department vide its notification dated 21.9.2001 had allowed the operation of Bank Account by Director Staff Development.

Audit observed that instructions contained in Finance Department's letter dated 7.12.1994 regarding keeping of working balance in commercial banks were violated, hence regularization was needed.

The Committee directed the department to get the matter regularized from the Finance Department.

The para was kept pending.

**321. Para No.110 Pages 92 & 95 of Audit Report for the year 1998-99; Loss of Government Revenue, Amounting to Rs.216,900/- Due to Illegal Possession of Government Land Attached to School.**

Government High School Babakwala, District Sheikhpura-Rs.216,900/-.

**14.5.2004** Audit had pointed out that illegal occupation of some school land and nominal rent per annum being realized had resulted into loss to Government.

The Department explained that the area of 99 kanals and 3 marlas was occupied by M/ S Shaukat Ali and Nazir Ahmad and 14 kanals 3 marlas by Mian Muhammad Azhar since 1993. The former area had been got vacated on 19.11.2001 and was now being auctioned on year to year basis. The Department gave details of some recoveries made and assured that appropriate action would be taken to effect balance recovery.

The Committee directed the Department to realize balance recovery and get the recovery already effected verified by audit.

The para was kept pending.

**4.1.2005** The Department explained that the department had approached the District Government to recover the amount from the concerned as arrears of land revenue.

The Department was directed to pursue the case for early recovery from the defaulters. **The para was kept pending.**

## **Bahauddin Zakariya University, Multan**

### **322. Para No.1 Page 5 of Audit Report for the year 1998-99; Irregular Payment of Orderly Allowance Amounting to Rs.1,020,000/- to University Teachers.**

**14.2.2004** Audit had pointed out payments of orderly allowance to all teachers in BPS-20 and above in contravention of Government of the Punjab instructions dated 25-4-1989.

The Department explained that orderly allowance was paid in compliance of the decision taken by the University Syndicate. It was further stated that a para of similar nature contained in the audit report for the year 1996-1997 had been settled by PAC in its meeting held on 4-10-2001, in the light of department's contention that the decision of the Governor/Chancellor on this issue was still awaited.

The Committee kept the para pending till regularization of the orderly allowance already paid by the competent authority and directed that the Department should discontinue the payment of this allowance forthwith.

**12.8.2004** The Department explained that as reported by the University, the payment of orderly allowance to professors of BS-20 could not be discontinued because the professors concerned were performing duties of important nature and were also holding key positions like DEANs/Chairmen of Departments. It was further stated that the case was pending with the Chancellor for regularization and further action would be taken in the light of the decision taken by the competent authority.

The para was kept pending till regularization/decision by the competent authority.

**3.1.2005** The Department explained that matter had been referred to the Chancellor/Governor of the Punjab for regularization of the payments and the decision was still awaited.

The para was kept pending with the direction to pursue the case.

**323.            Para No.2 Page 6 of Audit Report for the year 1998-99; Non Recovery of Temporary Advances of Rs.4,388,174/- Drawn by the University Employees Upto 06/98.**

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**14.2.2004**      Audit had pointed out that temporary advances to the tune of Rs.4,388,174/- drawn by various departments/persons of the University for purchase of different items, study tours and to meet different expenditures from time to time were still outstanding.

The Department explained that the total amount of temporary advances was Rs.4,281,844/- instead of Rs.4,388,174/- which had also been verified by audit. The remaining amount of Rs.190,650/- pertained to 19 cases which had not been adjusted. Efforts were being made for their adjustment and no further advance was being given to the employees who had not got their accounts adjusted.

The Committee settled the para to the extent of amount adjusted and verified by the audit and kept the remaining part of the para pending till balance recovery with the direction that the Department should not give further advance before the adjustment of the previous one.

**12.8.2004**      The Department explained that out of balance amount of Rs.1,90,650/-, vouched account of Rs.79,650/- had been received and the matter for adjustment of balance amount of Rs.1,11,000/- was being pursued.

The Committee conditionally settled the para subject to balance recovery and verification thereof by audit.

**3.1.2005**      The Department explained that vouched accounts for an amount of Rs.44,000/- out of balance amount had been verified by the Audit.

The Committee decided to settle the para subject to balance recovery within six months and verification thereof by Audit.

**324.            Para No.3 Pages 6 & 7 of Audit Report for the year 1998-99; Recovery of Pending Dues of Rs.3,036,477/- from Defaulter Examinees.**

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**14.2.2004**      The Audit had pointed out recovery of Rs.3,036,477/- outstanding against the examinees who were allowed to appear in examination without depositing full examination fee.

The Department explained that out of recoverable amount of Rs.3,036,477/-, a sum of Rs.1,687,176/- had been recovered. The Department explained the position further with

reference to amount of Rs.3,036,477/- pointed out by audit in this para plus Rs.1,061,245/- which pertained to para No.5 of 1999-2000. Thus out of a total amount of Rs.4,097,222/-, an amount of Rs.617,151/- could not be recovered as the students neither paid fees nor did they appear in the exam; Rs.65,640/- was wrongly pointed out because it related to candidates who were ineligible to appear in exam, and Rs.1,590,526/- stood written off by the Syndicate which was due from candidates who failed. The balance amount was recoverable for which efforts were being made.

The Committee settled the para subject to balance recovery and verification of departmental details by audit and directed the department not to allow any candidate to appear in examination without payment of examination fee.

**12.8.2004** The Department stated that directions of PAC had since been communicated to Controller of Examinations that no candidate be allowed to appear in examinations without payment of examination fee. Moreover, no degree , result card and certificate be issued unless the balance amount was paid by the defaulter candidates.

The Committee directed the Department to make a probe into the issuance of roll number slips to the candidates without payment of examination fee.

The para was kept pending for balance recovery.

**3.1.2005** The Department explained that as per direction of PAC probe was being conducted, however, the probe report was awaited.

**The para was kept pending with the direction that probe report may be sent to the PAC through Administrative Secretary.**

### **325.            Para No.4 Page 7 of Audit Report for the year 1998-99; Non-Deposit of Income Tax to the Extent of Rs.442,800/- on Qualification Allowance.**

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**14.2.2004** Audit had pointed out that income tax amounting to Rs.442,800/- was not deposited by teachers due to non-inclusion of qualification allowance at the time of submission of statements of total income during 1995-96 to 1997-98.

The Department explained that university had started deduction of income tax on taxable income which included qualification pay/PhD allowance.

The Committee conditionally settled the para subject to verification of recovery made, balance recovery and record thereof by the audit.

**12.8.2004** The Department stated that in compliance with PAC directions, the University had started deduction of Income Tax on qualification allowance to Phd. employees w.e.f. June 1999. However, for the cases falling under audit observation, the recovery against each employee was worked out and conveyed to them.

Finance Department observed that compensatory allowance was exempted from the payment of income tax whereas the rest of the allowances attached with the post were not exempted.

The Committee directed that Department to take appropriate action/decision regarding deduction of income tax on professional qualification at its end and apprise the committee in the next meeting.

The para was kept pending.

**3.1.2005** The Department explained that the concerned teachers had already paid income tax on PhD allowance either with their annual return or in balance payment in case of deficiency on demand by the Income Tax Department.

Audit stated that no documentary evidence was supplied in support of the departmental contention.

Finance Department observed that it had been finalized that University professors should pay income tax on qualification allowance directly to the Income Tax Department.

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

**326. Para No.5 Page 8 of Audit Report for the year 1998-99; Non-deduction of conveyance allowance Rs.429,696/- from the teaching staff during summer and winter vacation.**

**14.2.2004** The Department explained that conveyance allowance was paid to those teachers who remained on duty during vacation for different activities including stock taking of library books and equipments in the Laboratories and for Research Work.

Finance Department observed that audit should verify whether such duties were assigned to the teachers or not.

The Committee conditionally settled the para subject to verification of record on case to case basis by the audit.



**12.8.2004** The Department stated that the University had discontinued payment of conveyance allowance to the University teachers during summer and winter vacation. Recovery was being effected from the teachers on case to case basis who had not performed the duties during vacation.

The Committee accepted the reply of the Department and settled the para.

**327. Para No.6 Pages 8 & 9 of Audit Report for the year 1998-99; Recovery on Account of Double Benefit to Those Teachers Holding Ph.D. Degrees Amounting to Rs.362,960/-.**

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**14.2.2004** Audit had pointed out payment of Ph.D allowance to certain teachers without fixation of pay by excluding four advance increments already being drawn by them which had resulted in double benefit to such teachers.

The Department explained that 3 officers were involved in this para. No recovery was due against Dr. Abdul Rahim Khan as his pay had already been revised after withdrawing 4 advance increments since 1-1-1986 and facts had been verified by audit. Recovery of Rs.21,120/- and Rs.16,984/- outstanding against Dr. G.R. Pasha, Dr Shahida Begum respectively had since been effected.

The Committee settled the para subject to recovery in respect of established double benefit cases as well as verification of record of recoveries effected by the audit

**12.8.2004** The Department explained that recovery from two professors had been effected at source out of their salary.

Audit, however, pointed out that an amount of Rs.87,256/- was still recoverable from Dr Shahida Begum Niazi.

The para was conditionally settled subject to balance recovery and verification thereof by audit.

**3.1.2005** The Department explained that actual recovery had been effected at source.

The Committee decided to settle the para subject to verification of the requisite record by the Audit.

**328. Para No.7 Pages 9 & 10 of Audit Report for the year 1998-99; Un-**



**due payment of Rs.216,000/- on account of 50% of Ph.D. allowance to teachers holding degrees of M-Phil/LL.M.**

**14.2.2004** Audit had pointed out that all the teachers of the university holding M.Phil/L.L.M. degrees were drawing 50% of Ph.D. allowance in contravention of Finance department's instructions that it would be admissible only to the employees holding such degrees who were working in Judiciary/Law department and prosecution branch in Punjab.

The Department explained that the admissibility of 50% Ph.D. allowance to the teachers holding M.Phil/L.L.M degrees was allowed vide notification dated 27-10-1993 in lieu of four advance increments and the teachers mentioned in the para were not drawing four advance increments. The fact was verified by audit.

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

**329. Para No.8 Pages 10 & 11 of Audit Report for the year 1998-99; Library books 614 Nos. found missing during the stock taking upto 06/1998.**

**14.2.2004** The Department explained that actual number of missing books was 566 by excluding double entries for 48 books. As per uniform policy notified by University Grants Commission vide letter dated 21-2-1995, 3% of the books if lost in the open access system could be written off of by the competent authority on the recommendation of Library Committee. Since library of the University was run under open access system, therefore, missing books were within the limit of 3%.

The Committee observed that the missing books were likely to include very rare books not available in the market and directed that the department should calculate exact loss by fixing the cost of each book as per prices prevalent in the market and then proceed for write off process as per policy.

The para was kept pending.

**12.8.2004** The Department explained that the Vice Chancellor being the competent authority had written off 569 missing books finding them within the limit of 3% under open access system. None of the aforesaid missing books fell within the category of rare books.

On the verification and recommendation of audit, **the para was settled.**

**330. Para No.9 Page 11 of Audit Report for the year 1998-99; Recovery of Outstanding Dues of Rs.111,382/- from Defaulter Leasees.**

**14.2.2004** Audit had pointed out recovery of Rs.111,382/- from defaulter lessees of agriculture farm/garden.

The Department explained that 2 lessees were involved in this para. Full recovery had been effected from Mr. Malik Amjad and verified by audit, whereas an amount of Rs.17,000/- was outstanding against Malik Muhammad Akram. Efforts were being made to recover outstanding amount.

The Committee kept the para pending till balance recovery.

## **APPRICIATION**

**14.2.2004** At the end of the three day session from 12 February to 14 February 2004, the Committee appreciated the performance of and contribution made by the Secretary Education, Special Secretary Education, other officers of Education Department, Vice Chancellors of the Universities, DG (Accounts) Office of the AG Punjab, DGs Commercial and Civil Audit and Deputy Secretary (Monitoring), Finance Departments during the consideration of draft paras by the Committee.

**12.8.2004** The Department stated that the case for recovery of Rs.17,000/- from the defaulter as arrears of land revenue had been sent to the District Officer Revenue for further action.

The Committee conditionally settled the para subject to balance recovery and verification thereof by audit.

**3.1.2005** The Department explained that the case for the recovery of Rs.17,000/- from defaulters as arrears of land revenue had been sent to the District Officer (Rev), Multan.

**The para was kept pending with the direction to recover balance amount within three months.**

### **331. Para No.10 Page 12 of Audit Report for the year 1998-99; Irregular/Excess Expenditure of Rs.3.885 Million.**

**12.8.2004** Audit had pointed out that an irregular expenditure of Rs.3.885 million was incurred over and above the PC-I provisions. Neither revision of PC was initiated nor approval of the competent authority was obtained for incurring expenditure beyond PC-I

The Department explained that ECENEC in its meeting dated 17.10.1988 had *inter alia* approved the 2 projects relating to construction of departments of Plant Pathology and Entomology. After quoting detailed facts and figures, the department concluded that the

construction work in respect of the aforesaid 2 works was started on 31.10.1995 and completed on 31.5.1997. As the work on the projects started very late, cost of material and wages of labourers increased abnormally which resulted in increase of cost than the cost contained in approved PC-I. The revised PC-I had been submitted to the Higher Education Commission which had referred the case to Planning Division Islamabad for approval by Central Development Working Party.

The Committee accepted the explanation of the Department and conditionally settled the para subject to approval of revised PC-I by competent authority.

**3.1.2005** The Department explained that the revised PC-I for the construction of building of plant Pathology and Entomology Blocks had been seen and verified by the Audit.

The Departmental contention was supported by the Audit, therefore, **the para was settled.**

## **UNIVERSITY OF ENGINEERING & TECHNOLOGY, LAHORE**

### **Audit Paras (Civil) for the year 1998-99**

**332. Para No.1 Page 6 of Audit Report for the year 1998-99; Recovery of irregular payment of orderly allowance amounting to Rs.1,634,600/-.**

**12.2.2004** Audit had pointed out that in contravention of Govt. instructions dated 25-4-1989 all teachers of the university in BPS-20 and above and retired officers were drawing orderly allowance regularly.

The Department explained that payment of orderly allowance was allowed by the Syndicate to the professors of BPS-20 and above w.e.f. 1986. On the directions of PAC in a para of identical nature, the case was referred to the Finance Department for decision, which was awaited. The Department further stated that payment to Professors under this head had been discontinued w.e.f 1 July 2003.

The Finance Department observed that paras of similar nature had been kept pending by successive PACs. A summary had been submitted to the Chancellor/competent authority on the issue of orderly allowance on which decision was awaited.

The Committee conditionally settled the para subject to regularization of payment of orderly allowance to the Professors by the competent authority.

**13.8.2004** The Department stated that the matter related to payment of orderly allowance to

the University teachers in BS-20 and above and that the decision of the competent authority was awaited in this regard.

The para was kept pending for regularization/decision by the competent authority.

**3.1.2005** The Department explained that the decision of the competent authority for regularization was still awaited.

The Department was directed to finalize the necessary action at the earliest and the para was kept pending.

**333. Para No.2 Page 7 of Audit Report for the year 1998-99; Recovery of Rs.1,340,890/- on account of non-deduction of house rent @ 5% from occupants of university accommodation.**

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**12.2.2004** Audit had pointed out non-deduction of 5% house rent from the monthly salaries of the staff residing in university residences.

The Department explained that the syndicate being competent to grant rent-free accommodation to University Employees under the UET employees general conditions of service statute 1971, had granted rent free accommodation to them. Moreover, these were not designated houses. It was further stated that para of similar nature, was settled by Ad-hoc PAC in its meeting held on 13 March 2002.

On the recommendation of audit, the **Committee settled the para.**

**334. Para No.3 Pages 8 & 9 of Audit Report for the year 1998-99; Non-receipt of dues from the students of various departments amounting to Rs.637,604/-.**

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**12.2.2004** The Department explained that the para pertained to tuition fee and shop rent. As regards tuition fee, an amount of Rs.244,692/- was recovered and total amount of shop rent viz Rs.100,040/- was also recovered and deposited into university account. The Department further stated that the balance amount of tuition fee was not recoverable as it pertained to failed and absconded students. Therefore, the same would be got written off by the competent authority.

The Committee conditionally settled the para subject to verification of amount recovered by audit and write off sanction of the balance amount by the competent authority.

**13.8.2004** The Department explaining the details in respect of an amount of Rs.5,37,564/-

pertaining to tuition fee stated that now the balance in this regard was NIL and that an amount of Rs.1,00040/- pertaining to shop rent had been recovered and deposited into University account. The Department further stated that necessary write off sanction had also been accorded by the competent authority.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**3.1.2005** The Audit explained that the relevant record had been seen and verified.

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

**335. Para No.4 Pages 9 & 10 of Audit Report for the year 1998-99; Recovery of Rs.533,856/- on account of conveyance allowance paid to university staff residing within the premises of the university and during summer vacations.**

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**12.2.2004** The Department explained that conveyance allowance was granted with the concurrence of the Education Department to the employees residing in the university campus as a special case in view of its sprawling nature. Moreover, para of similar nature was discussed and settled in the meeting of Ad-hoc PAC held on 13 March 2002.

During the course of the meeting, the Department stated that the matter about conveyance allowance paid to teachers during summer vacation would be referred to the syndicate for regularization.

On the recommendation of audit, the Committee settled the first part viz grant of conveyance allowance to employees residing in the Campus. The second part viz conveyance allowance paid during summer vacation was conditionally settled subject to regularization of recoverable amount by the competent authority.

**13.8.2004** The Department stated that as per the provisions of the University Ordinance, the vacation was counted as duty and not as leave.

The Finance Department observed that the teachers were required to perform duties during summer vacation as per the duties notified by relevant authorities which could be verified by audit.

The Committee observed that the matter was to be resolved in the light of law/ rules applicable to the University and conditionally settled the para subject to verification of

relevant rules/record by audit.

**3.1.2005** The Department explained that as per the provision of the University Ordinance, the vacation was counted as duty and not as leave.

The Finance Department observed that the teachers were required to perform duties during summer vacation as per notified by the competent authority which could be verified by the Audit.

The Committee **decided to settle the para subject to verification of the decision of the Syndicate by the Audit.**

**336. Para No.5 Page 10 of Audit Report for the year 1998-99;  
Overpayment of Rs.631,014/- on account of salary during study leave.**

**12.2.2004** Audit had pointed out that full pay was paid to the teachers proceeding abroad instead of half pay plus study leave allowance as admissible under the University Rules which had resulted in overpayment.

The Department explained that rule 44(6) of the University Calendar 1975, Vol-I, was not applicable in the cases of teachers. The Syndicate being the competent authority had allowed 100% salary to the teachers who proceeded abroad for higher studies vide its notification dated 21-8-1989. Hence question of overpayment did not arise.

On the recommendation of audit, the **Committee settled the para.**

**337. Para No.6 Page 11 of Audit Report for the year 1998-99; Non-  
deduction of income tax amounting to Rs.83,074/- at source from firms and  
suppliers.**

**12.2.2004** The Department explained that in routine income tax was deducted from the bills of the suppliers/contractors on the purchases made through credit. In the instant case, purchases were made on cash payment thus income tax could not be recovered as the contractors/suppliers were responsible to submit their income record and pay income tax directly to the Income Tax Department.

The Finance Department observed that the Department should provide details of such firms/contractors to the Income Tax Department for making recovery.

The Committee settled the para with the directions to the department to submit a list of names of defaulting contractors/suppliers to the Income Tax Department for recovery of



income tax amount from them.

**13.8.2004** The Department stated that as per the previous directions of PAC, the requisite list of the defaulting contractors/suppliers had been sent to the Income Tax Department for further action.

The Committee observed that in future the Department should deduct the Income Tax from the contractors/suppliers at source. With this observation, the **para was settled.**

**338. Para No.7 Page 12 of Audit Report for the year 1998-99; Non-recovery of temporary advance of Rs.931,674/- drawn by the university employees upto 06/98.**

**12.2.2004** The Department explained that full recovery had been effected/advances adjusted which could be verified by audit.

The Committee settled the para subject to verification of record by audit.

**13.8.2004** The Department explained that the total amount involved in the para had since been adjusted.

The Audit verified adjustment of Rs.731,674/- and desired that cancelled cheque of Rs.2 lac or bank statement thereof be produced for verification.

The Committee settled the para subject to production of the bank statement/ relevant record to the audit.

**3.1.2005** The Audit explained that the department had produced the certificate of the bank regarding non-payment of Rs.2 lac.

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

**339. Para No.8 Page 13 of Audit Report for the year 1998-99; Recovery of Rs.4,000,000/- on account of non-return of teachers proceeded abroad for higher studies.**

**12.2.2004** Audit had pointed out that teachers proceeding abroad for higher studies did not resume duties in violation of the terms of the Surety Bond executive by them which resulted in a loss of Rs.4,000,000/- to the Government.

The Department explained that the amount of Rs.4,000,000/- was miscalculated by



audit whereas actual amount involved as bond money was Rs.330,000/-. Two teachers had resumed duty, therefore, an amount of Rs.130,000/- was not required to be recovered. The balance recovery of Rs.200,000/- was outstanding against Mr. Aslam Shahid and Mr. Saeed Nasrullah; the former had been removed from service whereas proceedings against the latter were in progress.

The Committee kept the para pending with the direction that Department should produce the relevant record to audit for verification of its contention and expedite recovery from the concerned officers.

**13.8.2004** The Department stated that as per the directive of the Syndicate, efforts were being made to recover liquidated damages from the terminated teachers.

The Committee directed the Department to make strenuous efforts for early realization of recovery.

The para was kept pending.

**3.1.2005** The Department explained that efforts were being made to effect balance recovery.

The Department was directed to recover outstanding amounts as arrears of land revenue. The **para was kept pending.**

**340.            Para No.9 Page 14 of Audit Report for the year 1998-99; Likely misappropriation amounting to Rs.199,857/- due to non-entry of POL in the relevant log books.**

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**12.2.2004** Audit had pointed out purchase of POL and filters etc for which no entries existed in the log books nor distribution of filters purchased was shown to audit.

The Department explained that the items were purchased in bulk quantities under economy measures. When the items were issued, necessary distribution/consumption entries were made in the stock register/log books which were available for verification.

The Committee conditionally settled the para subject to verification of record by the audit.

**13.8.2004** The Department stated that the stock entries were available in the stock register/log books which could be verified by audit.

The Committee settled the para subject to verification of relevant record by audit.

**3.1.2005** The Department explained that the account of POL had been verified by the Audit from log books which had also been seen by the Audit.

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

**341. Para No.10 Page 15 of Audit Report for the year 1998-99; Loss due to insurance of Government/university property worth-Rs.69,112/-.**

**12.2.2004** Audit had pointed out that university vehicles were got insured in violation of Govt. rules, as expenditure on the insurance of vehicles of Govt./Autonomous bodies was not allowed.

The Department contended that vehicles had been got insured on 3<sup>rd</sup> party basis in the light of Govt. of Pakistan letter dated 5-4-1976. Moreover, SDAC, had settled a similar para in its meeting held on 3-2-2003.

The Committee conditionally settled the para subject to verification of record by audit.

**13.8.2004** The Department explained that the expenditure involved was incurred with the approval of competent authority. Moreover, the expenditure was reflected in the annual budget estimates approved by the Finance and Planning Committee of the Syndicate as well as the Senate chaired by the Governor/Chancellor.

The Committee settled the para subject to verification of annual budget estimate/ relevant record by audit.

**3.1.2005** The Audit explained that the Department had produced annual budget estimate showing the funds for the purposes were provided therein.

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

**342. Para No.11 Page 16 of Audit Report for the year 1998-99; Library books not returned, no physical verification done from 1994 to 1998.**

**12.2.2004** The Department explained that recovery process in respect of books issued to the Academic staff was going on. During the course of the meeting, the Department stated that as a result of probe made, many books had been retrieved and for the remaining a case of write off had been sent to the Syndicate.

The Committee conditionally settled the para subject to verification of books so far recovered/retrieved and write off sanction by the competent authority in respect of the remaining books.

**13.8.2004** The Department stated that out of 247 books outstanding against faculty and non-faculty staff, 45 books worth Rs.3417/- had been recovered. The Department added that the matter for write off un-recovered books would be placed in the next Syndicate meeting.

The Committee settled the para subject to necessary write off by competent authority.

**3.1.2005** The Audit explained that the Department had produced the record of deposit of Rs.3,417/- and write off sanction by the Syndicate which had been seen and verified by the Audit.

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

### **UNIVERSITY OF THE PUNJAB, LAHORE**

**343. Para No.1 Page 6 of Audit Report for the year 1998-99; Recovery of Rs.16,000,000/- on account of liquidated damages from teachers proceeded abroad for higher study, but not returned back on due dates.**

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**12.2.2004** The Department explained that seven teachers had joined duty hence no question of recovery from them arose. During the course of the meeting, the Department stated that actual amount of recovery was Rs.43 lacs out of which a sum of Rs. 13 lacs had been effected and the efforts were being made to recover the remaining amount.

The Committee kept the para pending till balance recovery and verification of the recovery already effected.

**13.8.2004** The Department stated that out of 16 teachers who had proceeded abroad for higher studies, 7 had returned and joined duties, services of 8 were terminated whereas leave of the remaining one teacher was extended upto 12.11.2004. Summing up the position, the Department stated that the recovery worked out by the University came to Rs.5617730/- as against the amount of 1, 60,00000/- pointed out by audit. A sum of Rs.14 lac had since been recovered and efforts for realizing the guarantee amount from the guarantors were being made.

The Committee directed the Department to intensify the efforts for effecting balance recovery and also to get the recoveries already effected verified by audit.

The para was kept pending.

**3.1.2005** The Department explained that efforts were being made to recover the outstanding amount and requested that the amount of para may be reduced to Rs.1,400,000/-.

Audit contended that the balance recovery was of Rs.1,600,000/-

The Department was directed to reconcile the amount with audit and recover balance amount. The **para was kept pending.**

**344.            Para No.2 Pages 6 & 7 of Audit Report for the year 1998-99;  
Recovery of Rs.7,214,230/- due double benefit of increments and Ph.D.\_  
Allowance.**

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**12.2.2004** Audit had pointed out that the teachers were enjoying the double benefit of advance increments as well as Ph. D allowance which was not in order as they were required to opt for one of the benefits.

The Department referred to the decision of PAC meeting dated 10-7-2002 in which the para of similar nature contained in the audit report 1997-98 was discussed and was settled subject to verification of record by audit on the explanation of the Department i.e increments were given to teachers not under the Revision of Pay Rules 1983, but much before that under the Service Rules. Advance increments were also given under the said rules to some other categories of teachers as well. However, grant of advance increments to teachers on the basis of Ph.D. had been discontinued after 1983. The department further stated that the university had prepared a comprehensive case to case position with pay increases at different occasions according to Service Books of each teacher which could be verified in compliance with PAC directive dated 10 July 2002.

The Committee conditionally settled the para subject to verification of case to case position by audit and directed that where excess payment was made and recovery was not possible, the Department should get it regularized by the competent authority.

**13.8.2004** The Department stated that as per calculation made by the University, the amount of the para came to Rs.54,63,730/- instead of Rs.72,14,230/- as calculated by audit. The case had been sent to the competent authority for regularization/writing off.

The Committee kept the para pending for necessary regularization by competent authority.

**3.1.2005** The Department explained that the fixation of pay by the Resident Auditor after withdrawal of PhD increments was under process and actual recovery after fixation will be made accordingly.

The para was kept pending for recovery or regularization by the competent authority.

**345. Para No.3 Page 7 of Audit Report for the year 1998-99; Recovery of Rs.4,214,690/- on account of non vacation of houses after retirement or non payment of 5% rent of university houses.**

**12.2.2004** The Department explained that the Syndicate in its meeting held on 3 September 1999 waived of the recovery against 14 employees who had resided beyond 6 months after retirement. This stood verified by audit.

As for non-payment of 5% house rent, the department explained that PAC in its meeting held on 10-7-2002 had conditionally settled para of similar nature contained in the audit report for the year 1997-98 on the explanation of the Department that the Syndicate in its meeting held on 17-2-1994 had approved stoppage of deduction of 5% basic pay as rent from the residents of university colony and that Syndicate's recommendations were confirmed by the Senate in its meeting held on 15 April 1999.

The Committee settled the item already verified by the audit and also settled the remaining items subject to verification of record by audit.

**13.8.2004** The Audit in its comments desired that the Department should produce relaxation/regularization obtained from Finance Department in respect of stoppage of deduction of house rent @5% and also to produce all record in respect of 3<sup>rd</sup> item.

Finance Department observed that as per rules deduction of 5% from the salary was required in case Government residence had been provided. Therefore, relaxation of rules from Finance Department was required.

The Committee conditionally settled the para subject to the requisite regularization/relaxation by the Finance Department and verification of the remaining record by the Audit.

**3.1.2005** The item involving recovery on account of standard rent from allottee (Rs.161,000/-) was settled and item non-deduction of 5% as a rent was settled subject to regularization by Finance Department.

**346.                    Para No.4 Page 8 of Audit Report for the year 1998-99; Recovery of Rs.2,806,800/- on account of orderly allowance.**

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**12.2.2004**        The Department explained that a summary with reference to admissibility of orderly allowance to the professors in BPS-20 had been sent to the competent authority/Chancellor through Finance Department for approval.

During the course of the meeting the Vice Chancellor stated that Punjab University had not stopped payment of this allowance and that they would get it regularized by the competent authority.

The Committee kept the para pending till regularization of orderly allowance by the competent authority and directed that the Administrative Department and the Finance Department should pursue the matter for getting an early decision in this regard.

**13.8.2004**        The Department stated that the matter was already pending with the competent authority/Chancellor for necessary decision.

The Committee kept the para pending till regularization/decision by the Competent Authority. The Committee further decided that a recommendatory letter from the Committee regarding grant of orderly allowance to the University teachers be sent to the Chancellor/Governor for favourable consideration.

**3.1.2005**        The Department explained that the case for regularization of orderly allowance had already been sent to the Education Department for onward submission to the Chancellor through Finance Department.

**The para was kept pending.**

**347.                    Para No.5 Page 8 of Audit Report for the year 1998-99; Recovery of outstanding dues amounting to Rs.3,130,759/- since 1991-92 to 1997-98 on account of chara, vegetables and leases.**

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**12.2.2004**        During the course of the meeting, the Department stated that 95% recovery had been effected; moreover recovery of balance amount seemed quite difficult.

The Committee conditionally settled the para to the extent of recovery so far made subject to verification of record by audit and kept the remaining part of para pending with the direction that the Department should either make recovery or move for write off by the competent



authority.

**13.8.2004** The Department stated that an amount of Rs.70,000/- recoverable from 77 shopkeepers as rent had been recovered. Further, an amount of Rs.11,16,016/- had been declared as arrears of land revenue by the Collector vide his letter dated 19.2.2000.

The Committee observed that the lease of the University land should be granted through open auction in future and that the lease money be got deposited in advance.

The Committee kept the para pending with the direction to the Department to produce the requisite record to audit for verification and also effect balance recovery.

**3.1.2005** The Department explained that the balance recoverable amount had been declared as arrears of land revenue by the Collector.

The Department was directed to expedite the recovery.

The **para was kept pending.**

**348. Para No.6 Page 9 of Audit Report for the year 1998-99; Loss of Rs.2,117,500/- due to undue benefits of over-time remuneration to drivers.**

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**12.2.2004** The Department explained that payment of over time was admissible to the Drivers, Conductors, the mechanics and time keepers who accompanied the students on study and research tours, to ensure smooth functioning of university buses. The overtime as mentioned in this para was paid after obtaining the approval of the competent authority.

The Committee settled the para subject to verification of record/decision by the competent authority on the above mentioned issue.

**13.8.2004** The Department stated that as per directions of PAC meeting, the decision of the competent authority was produced to audit, however, overtime registers were never demanded earlier. The Department requested for the settlement of the para.

The Committee settled the para subject to verification of relevant record by audit.

**3.1.2005** The Department explained that payments on account of over time allowance were made in accordance with the rules of the University.

The **para was settled subject to regularization of the amount by the Syndicate.**



**349.                    Para No.7 Page 9 of Audit Report for the year 1998-99; Recovery of Rs.4,151,175/- on account of university fees.**

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**12.2.2004**        The Department explained that recoverable amount was Rs.3,093,870/- instead of Rs.4,151,170/- as wrongly calculated by audit. An amount of Rs.879,625/- had been recovered so far. Balance recovery in most of the cases related to failed students, hence there was difficulty in effecting the same.

The Finance Department observed that negligence on the part of the concerned officials was there as the University Examination Branch had not been charging the fee from the students.

The Audit in its latest comments, stated that the actual amount of the para was Rs.3,362,305/-.

The Committee settled the para to the extent of recovery realized subject to verification by audit and kept the remaining para pending with the direction that recovery from the concerned persons should be effected.

**13.8.2004**        The Department explained that out of Rs.33,62,309/-, an amount of Rs.8,78,625/- had already been recovered. However, an amount of Rs.9,11,425/- was actually not recoverable because of delay due to registration number, previous roll number and gazetted holiday i.e. 23<sup>rd</sup> March. The record was available for verification.

The para was kept pending for balance recovery.

**3.1.2005**        The Department explained that Finance and Planning Committee had been approached to write off the outstanding amount.

The para was kept pending till receipt of write off sanction by the competent authority.

**350.                    Para No.8 Page 10 of Audit Report for the year 1998-99; Recovery of Rs.655,920/- on account of irregular payment of washing and dress allowances to daftris, malis and guest attendants.**

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**12.2.2004**        The Department explained that washing/dress allowance was paid to Class-IV employees after approval by the competent authority. Moreover, similar para contained in the audit report for the year 1997-98 had been settled by the PAC in its meeting held on 10 July 2002.

On the recommendation of audit, **the Committee settled the para.**

**351. Para No.9 Page 10 of Audit Report for the year 1998-99; Recovery of Rs.500,096/- on account of regular payment of conveyance allowance.**

**12.2.2004** The Audit had pointed out that conveyance allowance was paid to the employees residing within the premises of university in violation of rules.

The Department explained that conveyance allowance was granted to the university employees living in the campus as a special case as permitted vide Education Department's Notification dated 28-6-1979. Moreover, similar para of audit report for the year 1997-98 had been settled by PAC in its meeting held on 8<sup>th</sup> and 10<sup>th</sup> July 2002.

On the recommendation of audit, **the Committee settled the para.**

**352. Para No.10 Page 11 of Audit Report for the year 1998-99; Recovery of irregular payment of Rs.623,117/- on account of commutation to retired officials/officers.**

**12.2.2004** The Department explained that out of seven employees recovery of Rs.536,813/- from M/S Muhammad Aslam, Nasim Akhtar and Muhammad Iqbal was not due because their cases were covered under the rules which had been verified by audit. It was further stated that cases of remaining four employees also fell within the ambit of Rules. Necessary record in respect of them had been prepared which could be verified by audit.

The Committee conditionally settled the para subject to verification of record by Audit.

**13.8.2004** The Department explained the case wise position of 4 cases and stated that record could be verified by the Audit.

The Audit, however, stated that either the Department should produce the relevant record or effect recovery of Rs.86,304/-.

The Committee settled the para subject to verification of relevant record by the audit.

**3.1.2005** The Department contented that the commutation cases in respect of three employees were found correct and verified by the Audit. The Department further contended that

Mr. Khushi Masih, Sweeper and his widow expired. The case for write off sanction was under process.

**The Committee decided to settle the para subject to verification of record by Audit.**

**353. Para No.11 Page 11 of Audit Report for the year 1998-99; Non recovery of Rs.718,459/- on account of annual lease of agriculture land, electricity and sui gas charges.**

**12.2.2004** The Department explained that recovery of Rs.548,838/- had been effected. Recovery of balance amount was due from Muhammad Iqbal, contractor of cafeteria. An inquiry in this regard was also being held.

The Committee settled the para to the extent of recovery so far made subject to verification of record by audit and remaining part was kept pending.

**13.8.2004** The Department stated that out of the total recoverable amount of Rs.2,39,621/- due from Mr Muhammad Iqbal, Contractor of cafeteria, an amount of Rs.70,000/- was recovered from him. However, as a result of default of Rs.1,69,621/-, a case had been got registered against the contractor.

The Committee kept the para pending for balance recovery.

**3.1.2005** The Department explained that recovery of Rs.234,478/- had already been verified by the Audit. Efforts were being made for balance recovery.

**The Committee decided to settle the para subject to verification of balance recovery by the Audit.**

**354. Para No.12 Pages 11 & 12 of Audit Report for the year 1998-99; Recovery on account of missing/shortage of library books.**

**12.2.2004** The Department explained that the written off sanction of the said books by the competent authority was available for verification.

The Committee conditionally settled the para subject to verification of record/write off sanction by the competent authority.

**13.8.2004** The Department explained the latest position of the books issued to Punjab University Teachers as well as to the Teachers of affiliated colleges. The Department added that

efforts for the return of books or recovery of price thereof were being made. However, in case the recovery was not possible, the write off option would be adopted.

The Committee settled the para subject to verification of record, recovery or write off sanction, as the case may be, by the competent authority.

**3.1.2005** The Department stated that a write off case amounting to Rs.190,762/- was under process.

The Committee decided to settle the para subject to verification of record/write off sanction by the Audit.

**355. Para No.13 Page 12 of Audit Report for the year 1998-99; Irregular payment of Rs.219,154/- on account of double duty allowance and TA/DA.**

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**12.2.2004** The Department referring to double duty allowance stated that allowance @ 20% of basic pay was admissible vide Syndicate decision dated 25 June 1966, which stood verified by audit.

As for irregular payment of TA/DA, the department contended that as per policy decision of the Chancellor's Committee meeting dated 20 June 1975, the staff accompanying the students on field work/study tour etc. were allowed to travel in the same class as the students were traveling and were entitled to the same TA as was admissible to students. However, the DA would be according to their entitlement.

Regarding self cultivation scheme, the department explained that the case to recover amount of Rs.46,222/- as arrears of land revenue was pending with the Tehsildar concerned.

The Committee settled the portion relating to double duty allowance as it stood verified by the audit and also settled the portion pertaining to irregular payment of TA/DA subject to regularization by the competent authority with the direction that the Department should discontinue the practice of such grant of irregular TA/DA. The last portion was kept pending for balance recovery.

**13.8.2004** The Department explained that the case for regularization of payment of TA/DA to the staff accompanying the students on field work/study tour had been approved by the Syndicate and was pending with the Chancellor for final approval. About part 'B' pertaining to recovery of Rs.46,222/-, it was stated that it was self-cultivation scheme and three officials were granted allowance for office/audit work.

The Committee directed that the approval of the Chancellor in respect of first part be obtained by the Department and necessary record in respect of second part should be produced to audit for verification/comments.

The para was kept pending.

**3.1.2005** The Department explained that the case for the regularization of payment of TA/DA to the staff accompanying the students on field work/study tour had been approved by the Syndicate and was pending with the Chancellor for final approval. Self cultivation scheme was granted to three officials, who were granted allowance.

The Department was directed to complete the necessary action at the earliest.

The para was kept pending.

**356.            Para No.14 Page 13 of Audit Report for the year 1998-99; Non deduction of income tax Rs.43,424/-.**

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**12.2.2004** The Department explained that the amount of income tax had been deducted and deposited into Government Treasury which was available for verification.

The Committee conditionally settled the para subject to verification of record by Audit.

**13.8.2004** The Department with reference to Sr.No.1 stated that the tax was not leviable on sale of trees being agricultural income. With reference to Sr.No.2, it was stated that the voucher numbers pertaining to the same firm/job had been scrutinized and the report was attached. It was added that income tax was duly deducted.

The Audit stated that the Department was required to produce annotated reply in respect of Sr.No.1 & 2 or effect recovery of Rs.12,845/- from the defaulters.

The Committee conditionally settled the para subject to production of exemption certificate of income tax in respect of sale of trees as agricultural income and the other relevant record to and verification thereof by audit.

**3.1.2005** The Department explained that the sale of trees being agriculture income was exempted from income tax. However, the contention of the Department was not accepted by the Audit.

The para was kept pending.

**357.            Para No.15 Pages 13 & 14 of Audit Report for the year 1998-99; Recovery of Rs.2,067,184/- on account of university residential accommodation occupied even after drawal of house building advance liable to pay rent at the rate of 27% of their basic pay.**

**12.2.2004**        Audit had pointed out that such employees to whom advances were granted for construction of houses/purchase of land and were living in residential accommodation provided by the University were liable to pay rent @ 27% of pay after 8 years of drawal of advance as per University Rules.

The Department explained that the rule quoted by audit was not applicable in the present case because the beneficiaries of the para had constructed their houses outside Lahore and the said rule applied to those employees who took loan to build/purchase a house at Lahore, which could be verified on case to case basis.

Finance Department endorsed the contention of the audit and observed that if the present rules created hardship, the Department could get them amended by the competent forum or a separate house building fund could be created.

The Committee kept the para pending.

**13.8.2004**        The Department stated that as per the directions of PAC meeting dated 12.2.2004, the case had been recommended for placement before the competent forum for consideration and approval.

The Finance Department observed that if so needed, the relevant law be got amended by the competent authority.

In view of the explanation of the Department, the para was kept pending.

**3.1.2005**        The Department stated that the case had been placed before the competent authority for consideration/regularization.

The Department was directed to complete the necessary action, at the earliest. The para was kept pending.

**358.            Para No.16 Page 15 of Audit Report for the year 1998-99; Non-realization of material of Rs.23.995/- million on account of L.C. No.222 and 371 due to non clearance upto 6/98.**



**12.2.2004** Audit had pointed out that amounts against two LC accounts were found unadjusted upto 6/98. The amounts were paid but equipment was not received till date of audit.

The Department explained that the development grant was deposited for opening of LCs for the import of equipment etc. On receipt of consignment, the bank debited the amount to the accounts. The expenditure was incurred through the bank and material was received. Complete list of LCs was also pre-audited. The Department further stated that an enquiry was already being conducted and another inquiry officer had been appointed.

The Committee kept the para pending till finalization of inquiry proceedings and directed the department to complete the same within 60 days.

**13.8.2004** The Department stated that it was a very old case and to thrash out the facts, an inquiry was being held.

The Committee kept the para pending with the direction to Department to finalize the inquiry proceedings at the earliest under intimation to PAC.

**3.1.2005** The Department stated that as per findings of the inquiry, six officials were responsible for non-finalization of adjustments of LCs pending since 1965. The remaining stock of material had been verified by the Audit from adjustment vouchers and stock registers.

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

**359. Para No.17 Page 16 of Audit Report for the year 1998-99; Non-production of consumption account of Rs.5,071,860/- on account of store material.**

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**12.2.2004** The Department explained that necessary accountal of store materials was available in terms of stock entries and issuance and consumption record which could be verified.

The Audit in its comments stated that consumption account of Rs.4,591,283/- had been verified whereas consumption account worth Rs.480,575/- was not produced.

The Committee settled the para to the extent of consumption account verified by audit and kept the remaining para pending with the direction to the Department to produce the same to the audit.

**13.8.2004** The Department stated that consumption account worth Rs.480,575/- was ready for verification.



The Committee kept the para pending for verification of relevant record by audit.

**3.1.2005** The Department explained that inquiry committee had reported that the material had actually been consumed for official purpose.

Audit stated that the stock register now produced was prepared afterwards and did not tally with the register already produced for verification.

**The para was kept pending for finalization of probe within 30 days in light of the latest Audit observations.**

**360. Para No.18 Pages 16 & 17 of Audit Report for the year 1998-99; Likely misappropriation of Rs.1,490,635/- due to non submission of expense account on purchase of medicine.**

**12.2.2004** The Department explained that record showing issuance of medicines to dispensaries and their further consumption by the dispensaries was available for verification.

On the recommendation of audit, **the Committee settled the para.**

**361. Para No.19 Page 17 of Audit Report for the year 1998-99; Non-adjustment of Rs.5,985,939/- on account of drawal of advances.**

**12.2.2004** Audit in its comments stated that actual amount of the para was Rs.6,905,305/- instead of Rs.5,985,939/- on account of non adjustment of advances.

The Department explained that the advances fell under three categories, out of which an amount of Rs.5,126,243/- had since been adjusted. Efforts for adjustment of balance amount were continuing.

The Committee settled the para to the extent of adjustment of various advances already made subject to verification by audit and kept the remaining part pending with the direction that the Department should ensure early adjustment of balance amount.

**13.8.2004** The Department explained that against an amount of Rs.59,58,939/-, a sum of Rs.53,99,813/- had been adjusted whereas efforts for the adjustment of balance amount were being made.

The Committee observed that the Department should not give new advances unless the old ones had been adjusted.

The para was kept pending till the adjustment of the balance amount.

**3.1.2005** The Department stated that vouched accounts for Rs.1,429,735/- out of balance of Rs.4,490,955/- had been verified by the Audit. The treasurer stated that balance amount would be adjusted within a month.

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

## UNIVERSITY OF ENGINEERING AND TECHNOLOGY TAXILA

### Audit Paras (Civil) for the year 1998-99

**362. Para No.1 Page 6 of Audit Report for the year 1998-99; Misappropriation of Rs.73,015/- on account of missing articles in Electrical Engineering Department.**

**13.2.2004** The Department explained that responsibility had been fixed on Ex-Storekeeper Mr. Muhammad Anwar for damages worth Rs.54,048/- as against Rs.73,015/- pointed out by audit. He was proceeded against under E & D Rules and was demanded. Recovery was being effected from him @ 250 per month as allowed by Vice Chancellor and so far Rs.10,000/- had been recovered.

The Committee conditionally settled the para subject to balance recovery and verification by audit and directed the Department to enhance the monthly recovery to the tune of 1/3<sup>rd</sup> of the salary of the official.

**3.1.2005** The Department had contented that recovery had been enhanced from Rs.250/- to Rs.2,200/- per month and the recovery was yet to be complete.

The Committee conditionally settled the para, subject to balance recovery and verification by Audit.

**363. Para No.2 Pages 7 & 8 of Audit Report for the year 1998-99; Infructuous expenditure of Rs.1,300,000/- on promotion of research work.**

**13.2.2004** Audit had pointed out that an amount of Rs.1,300,000/- was released by University Grants Commission for promotion of research work. The amount was spent but no fruitful results were produced.

The Department explained that a probe in this regard was already being made and the report/findings would be shown to audit in due course.

Finance Department observed that the research work done should be evaluated and a report be also placed before the syndicate.

On the request of the Department the para was kept pending.

**3.1.2005** The Department explained that a probe in this regard had already been made and would be placed in the meeting of the Syndicate for necessary action.

The para was kept pending.

**364.            Para No.3 Page 9 of Audit Report for the year 1998-99; Irregular payments of Rs.9,292,552/- on account of appointments during ban.**

**13.2.2004** The Department explained that 32 appointments were made after lifting of ban by the competent authority i.e. Syndicate against the sanctioned and vacant posts, for which funds were available in the budget.

On the recommendation of audit, the para was settled.

**365.            Para No.4 Pages 10 & 11 of Audit Report for the year 1998-99; Recoverable amount of Rs.6,776,545/- on misuse of medical funds.**

**13.2.2004** Audit had pointed out that heavy expenditure was incurred on the treatment of university employees against prescriptions of various private specialists and doctors, in the presence of hospital established in university campus with full fledged staff. This was in addition to medical allowance being paid to non gazetted employees. Audit was of the view that both the facilities could not be allowed simultaneously under the rules.

The Department explained that incurring of expenditure as pointed out by audit was covered under the university medical rules. There was no hospital in the university except a dispensary, hence consultation with specialists became necessary in respect of complicated diseases. The Department further stated that payment of monthly medical allowance to employees in BS-1 to BS-15 was justified in view of fixed medical allowance being paid to other Government servants.

On the recommendation of audit, the Committee settled the para.

**366.            Para No.5 Pages 11 & 12 of Audit Report for the year 1998-99; Recovery of Rs.2,485,322/- on account of various inadmissible**

**allowances.**

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**13.2.2004** Audit had pointed out payments of conveyance allowance to employees living in University colony/within the campus; non-deduction of house rent @ 5% from those living in University colony and payment of house rent allowance @ 45% instead of 30% at Taxila, which were inadmissible under the revised pay scales 1991.

With reference to conveyance allowance, the Department quoted Auditor General Pakistan letter regarding admissibility of this allowance in cases of residences having been located on a piece of land quite different from University Campus.

As regards non deduction of House rent @ 5%, the Department explained that university Syndicate was competent to grant rent free accommodation to its employees and a para of similar nature contained in the audit report 1997-98 regarding UET Lahore had been settled by PAC in its meeting held on 13-3-2002. The audit also recommended this part of the para for settlement.

About the house rent, the Department explained that prior to 10.10.1993, staff at Taxila being under the control of U.E.T Lahore drew house rent allowance @ 45%. After establishment of U.E.T Taxila, the employees already working there were formally transferred and house rent @ 45% was continued as per approval of syndicate in its meeting dated 9.7.1995.

Finance Department observed that big city allowance was not admissible at Taxila and therefore, payment of conveyance allowance and House rent allowance needed regularization by the competent authority.

The Committee settled the part pertaining to non-deduction of house rent @ 5% as already recommended by Audit and kept the remaining parts of the para pending and directed the Department to refer the case to competent authority for regularization.

**3.1.2005** The Department explained that the case for regularization regarding conveyance allowance and house rent allowance had been submitted to the Chancellor on 8.10.2004.

The Department was directed to get the issue regularized from the competent authority at the earliest. The **para was kept pending.**

**367.            Para No.6 Pages 12 & 13 of Audit Report for the year 1998-99;  
Recoverable allowances not approved by UGC/Government for U.E.T. Taxila  
amounting to Rs.2,457,548/-.**

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**13.2.2004** Audit had pointed out that various allowances were paid to the staff posted at UET

Taxila in violation of orders/instructions of University Grants Commission and Finance Department.

Referring to MSc/Technical Teacher's Allowance, the Department explained that it was admissible under the statutes/rules. Moreover, M.Sc. Engineering was equivalent to M. Phil. General Science/Social Science and syndicate had approved these allowances. Further, qualification allowance to M.Sc. teachers in Engineering discipline in lieu of two advance increments was also admissible.

Regarding orderly allowance, the department explained that it was being paid since 1986 and the matter in this regard was pending with the Chancellor. The decision in this case was still awaited.

Finance Department observed that payment of orderly allowance at U.E.T Taxila had not been discontinued.

The Committee settled the item pertaining to qualification allowance as the department presented the relevant record to the audit which verified the same. The Committee kept the other item pertaining to orderly allowance pending till regularization by the competent authority and directed the department to discontinue the payment of this allowance to the concerned officers forthwith.

**3.1.2005** The Department explained that the payment of Orderly Allowance had since been discontinued and Chancellor had been approached for regularization of the payments already made.

The Department was directed to pursue the case of regularization and get it finalized at an early date. The **para was kept pending.**

**368. Para No.7 Page 14 of Audit Report for the year 1998-99; Recovery of Rs.516,212/- on account of allowances not covered by pay revision rules.**

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**14.2.2004** Audit had pointed out payment of Engineering teachers allowance to the gazetted staff @ 10% of their pay from 1996-97 to 1997-98, and fixed monthly Medical Allowance to officials in BS-16 and above in contravention of rules.

The Department with reference to Engineering Teachers allowance explained that it was allowed by following the practice of UET Lahore which had allowed the same to its employees posted at the then university college of Engineering, Taxila. However, payment of this allowance had now been discontinued. The case for ex-post facto sanction was being submitted to

the Chancellor/competent authority.

In respect of fixed monthly medical allowance to employees in BPS-16 and above, the department explained that it was allowed by Syndicate, in view of option exercised by the concerned employees in lieu of medicines. No medicines had been provided to the staff receiving medical allowance on their option. As such, no recovery was involved.

The Committee kept the item of the para pertaining to Engineering Teachers allowance pending till regularization by the competent authority and conditionally settled the other item relating to fixed medical allowance subject to verification of the option exercised by the officers concerned by the audit.

**3.1.2005** The Department explained that payment of Engineering Teachers Allowance had been discontinued w.e.f 2.8.2004, the case of regularization had also been submitted to the Chancellor and payment of medical allowance had been discontinued w.e.f. 9.3.2004. The options had been verified by the Audit.

The Departmental contention was supported by the Audit, therefore, the **Committee decided to settle item pertaining to fixed medical allowance. Item relating to ETA (Engineer Teachers Allowance) was kept pending.**

**369. Para No.8 Page 15 of Audit Report for the year 1998-99; Recovery of Rs.707,225/- due to appointments against prescribed qualifications.**

**14.2.2004** Audit had pointed out the appointment of Professors/Associate Professors who did not possess the qualification prescribed for such posts by UCG which had resulted in irregular payment of salaries to them.

The Department explained that the UCG recommendations referred to by the audit had not so far been approved by the Chancellor/Competent Authority. During the course of the meeting, the Vice Chancellor stated that UCG had itself relaxed the statutes regarding qualification and M.Sc. degree holders were allowed to be appointed as Professors/Associate Professors, because Ph.D. degree holder engineers were not available at that time.

The Committee accepted the explanation of the department and **settled the para.**

**370. Para No.9 Pages 15, 16 & 17 of Audit Report for the year 1998-99; Recoverable amount of Rs.641,979/- on account of extra load of work.**

**14.2.2004** Audit had pointed out that payment of Rs.641,979/- made to teaching/laboratory staff in the guise of extra work load by unnecessarily increasing the number of classes and



showing teaching hours from 10.00 a.m. to 4.00 p.m was not justified.

The Department explained that due to acute shortage of teaching staff in the wake of ban on recruitment and increase in enrolment of students, the classes were split up into two sections and the extra workload had to be shared by the existing staff. In addition to teaching different disciplines of studies, curricular activities were also assigned to them. Such remuneration was paid with the approval of the Syndicate/competent authority.

During the course of meeting, the department explained that Punjab Govt. had created certain seats on self-financing basis, which resulted in increase of students' enrolment. Teachers were paid by generating funds through self Financing Scheme. It was further stated that introduction of a second shift would have required more buses and staff which was not feasible due to financial constraints.

In view of the explanation of the Department that it was in the interest of promotion of educational cause, the **Committee taking a lenient view settled the para with the direction that it should not be quoted as precedent in cases of similar nature.**

**371.                Para No.10 Page 17 of Audit Report for the year 1998-99; Undue benefit of premature increment at the time of appointment resulting in overpayment of Rs.216,663/-.**

**14.2.2004**        The Audit had pointed out grant of premature increments to professors/Associate professors and Assistant professors appointed on 31-3-1997 to which they were not entitled under pay fixation rules which had resulted in overpayment of Rs.216,663/-.

The Department explained that under General Conditions of Service Chapter (III) 22 (a) (i), grant of premature increments to in service teachers at the time of direct selection was allowed and their pay was accordingly fixed. This decision had got the approval of the Chancellor vide letter dated 7.7.1973.

Finance Department observed that it was for the audit to verify if grant of advance increments was covered under the University statutes/rules.

The Committee conditionally settled the para subject to verification of record on case to case basis by the audit.

**3.1.2005**        The Department explained that the pre-mature increment was allowed to the in service Engineer Teachers by the Syndicate under the rules.

The Departmental contention was supported by the Audit, therefore, **the para was**



settled.

**372. Para No.11 Pages 17 & 18 of Audit Report for the year 1998-99; Over payment of Rs.220,162/- due to absence from duty, EOL unauthorized appointment and grant of two advance increments.**

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**14.2.2004** Audit had pointed out that certain irregularities viz-a-viz Dr. Muhammad Ahmad Cauhdry pertaining to his appointment, resignation, fresh appointment, grant of EOL, and two advance increments etc. had resulted in overpayment of Rs.220,162/- to him.

The Department explained that in the wake of conditional resignation tendered by Dr. Muhammad Ahmad Chaudhry, the case for regularization of his study leave remained undecided by the competent authority. In the meanwhile he was appointed by UET Lahore in the same scale with the salary he was drawing at the time of departure for higher studies.

The Education Department was, however, of the view that the resignation once accepted could not be withdrawn. It was further stated that a probe at departmental level was being made to find out facts regarding this case which would be completed in two month's time.

The Committee kept the para pending with the direction that Department should complete the inquiry within two months under intimation to PAC.

**3.1.2005** The Department explained that the inquiry had been completed and report was being placed in the meeting of Syndicate for necessary action.

The Department was directed to expedite the matter. **The para was kept pending.**

**373. Para No.12 Page 12 of Audit Report for the year 1998-99; Recoverable amount of Rs.198,710/- due to wrong fixation of pay and advance increment.**

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**14.2.2004** Audit had pointed out grant of two advance increments to Mr. Shaukat Ali Khan, lecturer, in violation of pay revision rules 1983 and again fixation of his pay on promotion at a higher stage by allowing four advance increments on the basis of performance, which had resulted in overpayment to him.

The Department explained that two advance increments were granted in terms of UET Lahore Syndicate approval vide office order dated 24.1.1984, allowing two advance increments to all serving Engineers. Further, at the time of his appointment as Assistant Professor, four advance increments were recorded by the Selection Board and approved by the

Syndicate. Therefore, his pay was fixed accordingly. The Department, however, suggested that the audit could verify the position in the light of explanation given by the University as per rules adopted by it.

The Committee conditionally settled the para subject to verification of record by audit.

**3.1.2005** The Department explained that authority regarding grant of advance increments at the time of direct selection of in service employees had been seen and verified by the Audit.

The Departmental contention was supported by the Audit, therefore, **the above noted para was settled.**

**374. Para No.13 Pages 20 & 21 of Audit Report for the year 1998-99; Recoverable amount of Rs.192,956/- on account of undue benefit of advance increments on new appointment.**

**14.2.2004** Audit had pointed out instances of grant of one advance increment to Mr Rafi Javed, Lecturer, on appointment, two advance increments in contravention of Pay Revision Rules and two consecutive annual increments without fulfillment of prescribed condition of evaluation and acceptance of his five research work publications by the competent authority. He was also appointed as Professor without PhD degree in violation of UCG letter dated 10.2.1997. All these transactions had resulted in overpayment of Rs.192,956/- to him.

The Department explained that no advance increments on account of one year experience had been granted to the officer on his appointment as lecturer. He was appointed as Associate Professor in BPS-19 w.e.f. 28-4-1988 and annual increments were allowed to him on the acceptance of fulfillment of the condition of five research papers by the competent authority. In respect of 2 advance increments w.e.f. 1-7-1983, the department stated that these were allowed by the Syndicate of UET Lahore for the Engineering Teachers posted at Lahore and Taxila vide office order dated 24.1.1984.

The Committee conditionally settled the para subject to verification of relevant record/approval of competent authority by audit, justifying the contention of the department.

**3.1.2005** The Department explained that authority regarding grant of advance increments at the time of direct selection of in service employees had been seen and verified by the Audit.

The Departmental contention was supported by the Audit, therefore, **the above noted para was settled.**

**375. Para No.14 Pages 21 & 22 of Audit Report for the year 1998-99; Recoverable amount of Rs.188,511/- on account of EOL and un-authorized grant of advance increments.**

**14.2.2004** With respect to Mr Habibullah Jamal, Audit had pointed out unauthorized grant of two advance increments on 1.7.1983 and annual increments without evaluation and acceptance of 5 research publications by the competent authority and grant of study leave without fulfillment of prescribed length of five years service. Later the leave granted was converted as leave on half average pay. The above irregularities had resulted in overpayment of Rs.188,511/- to him.

The Department explained that relaxation for grant of study leave without fulfillment of prescribed limit of 5 years was granted by the Syndicate which had been verified by audit. Conversion of EOL on half average pay was admissible vide Syndicates office order No. 65 dated 29.12.1976. Moreover, two advance increments were awarded by Syndicate of UET Lahore to the Engineering Teachers w.e.f. 1.7.1983. the Department stated that the facts could be verified by audit.

The Committee conditionally settled the para subject to verification of relevant record /approval of competent authority by audit, justifying the contention of the department.

**3.1.2005** The Department explained that authority regarding grant of advance increments at the time of direct selection of in service employees had been seen and verified by the Audit.

The Departmental contention was supported by the Audit, therefore, the above noted **para was settled.**

**376. Para No.15 Pages 22 & 23 of Audit Report for the year 1998-99; Recoverable amount of Rs.131,358/- on account of four advance increments for EOL period and also advance increments on various occasions.**

**14.2.2004** Audit had pointed out that Mr. Saeed Ahmad (Dean CED) appointed as adhoc lecturer on 25-1-1977, was granted EOL (Leave without pay) w.e.f. 3-10-1978 to 16-10-1982 which was later converted into study leave although he did not fulfill the minimum condition of 3 years' service for grant of such leave. He was granted 2 advance increments on 1-7-1983 which was against the pay revision rules.

The Department explained that the Syndicate under section 33 of UET Lahore Ordinance had allowed necessary relaxation for conversion of EOL into study leave in its meeting held on 8.10.1987. Two advance increments were also granted by the Syndicate UET Lahore to Engineering Teachers posted in Lahore and Taxila, w.e.f. 1-7-1983.

The Committee conditionally settled the para subject to verification of relevant record/approval of the competent authority by the audit, justifying the contention of department.

**3.1.2005** The Department explained that the syndicate had allowed necessary relaxation for conversion of EOL into study leave in its meeting held on 8.10.1987. Two advance increments were also granted by the Syndicate UET Lahore to the Engineering teacher posted in Lahore and Taxila.

The Department was directed to move a case for the condonation/ regularization by the competent authority. The **para was kept pending**.

**377. Para No.16 Page 23 of Audit Report for the year 1998-99; Recoverable amount of Rs.146,213/- on account of undue benefit of advance/ premature increment.**

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**14.2.2004** Audit had pointed out that Mr. Umer Farooq was granted undue benefits of advance and premature increments on various occasions of his appointment as Assistant Professor, Associate Professor and Professor.

The Department explained that the officer was given two advance increments w.e. f.1-7-1983 as Syndicate UET Lahore, had awarded sch increments to all Engineering teachers working at Lahore & Taxila. Premature increments were awarded to the officer on his direct selection as Assistant Professor, Associate Professor and Professor because in case of direct selection from in service teachers, premature increment was awarded which was covered under the rules/syndicate's order.

The Committee conditionally settled the para subject to verification of relevant record/approval of the competent authority by the audit, justifying the contention of the department.

**3.1.2005** The Department explained that the officer was given two advance increments w.e. f. 1.7.1983 as Syndicate UET Lahore had awarded such increments to all Engineering Teachers working at Lahore & Taxila. Pre-mature increments were awarded to the officer on their direct selection as Assistant Professor, Associate Professor and Professor because in case of direct selection from in service teachers, pre-mature increment was awarded which was covered under rules/ Syndicate orders.

The Department was directed to produce record to Audit for verification within three months. The **para was kept pending**.

**378. Para No.17 Page 24 of Audit Report for the year 1998-99;  
Recoverable amount of Rs.75,026/- on account of undue grant of two advance increments on 01.07.1985.**

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**14.2.2004** Audit had pointed out grant of two advance increments to Mr. Muhammad Akhtar (Controller Examination) in violation of pay revision rules, and irregular grant of scholarships for M.Phil to him. Audit had further stated that University Grants Commission had recommended to the Vice Chancellor, UET Lahore to recover the stipend of first term @ Rs.1500/- p.m. and debar him for nomination to any further training programme.

The Department explained that on the analogy of Engineering Teachers, two advance increments to non-Engineering Teachers were allowed as per notification dated 30-7-1985 w.e.f. 1-7-1985. It was also stated that the letter regarding recommendations of University Grants Commission referred to by the audit had not been received in UET Taxila.

The Committee conditionally settled the para subject to verification of record/ approval of the competent authority by the audit, justifying the contention of the Department.

**3.1.2005** The Department explained that two advance increments were allowed by the Syndicate UET Lahore to all the Engineering Teachers posted at Lahore and Taxila.

The Department was directed to produce the requisite record to Audit for verification within three months. The **para was kept pending.**

**379. Para No.18 Pages 25 & 26 of Audit Report for the year 1998-99;  
Recoverable amount of Rs.61,019/- on account of undue benefit of advance/ premature increments.**

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**14.2.2004** Audit had pointed out grant of 2 advance increments to Mr. Imtiaz Hussain Yahya on 1-7-1983 and one premature increment at the time of his appointment as Assistant Professor on 23-7-1986 without legal justification.

The Department explained that the two advance increments w.e.f. 1-7-1983 were allowed by the Syndicate UET Lahore to all the Engineering teachers posted at Lahore and Taxila. With reference to premature increments, it was stated that the premature increments were not given because while considering fixation of pay the difference of pay in BS-17 and 18 on 22.7.1986 and 23.7.1986 respectively was less than one increment. The Education Department stated that clarification on the issue of premature increments had been sought from UET Taxila.

The Committee conditionally settled the para subject to verification of record/ approval of competent authority justifying the contention of the department.



**3.1.2005** The Department explained that two advance increments were allowed by the Syndicate UET Lahore to all the Engineering Teachers posted at Lahore and Taxila.

The Department was directed to produce the requisite record to Audit for verification within three months. The **para was kept pending**.

**380. Para No.19 Pages 25 & 26 of Audit Report for the year 1998-99; Recoverable amount of Rs.58,031/- on account of T.A/D.A.**

**14.2.2004** The Audit had pointed out that an amount of Rs.58,031/- was paid to the employees of the university as TA/DA for petty jobs like dispatching of letters, purchase of articles, payment of utility bills, collection of quotations by hand in violation of Govt. rules.

The Department explained that since the university campus was located at odd place where facility of GPO and UMS was not available, therefore, the officers/officials had to visit Rawalpindi etc. for collection of quotations and posting of letters which was necessary in public interest and their tour programmes were approved by the competent authority.

The Committee accepted the explanation of the department and **settled the para**.

**381. Para No.20 Page 26 of Audit Report for the year 1998-99; Recoverable amount of Rs.70,704/- on account of library books not returned also computing their value since issuance in 1980.**

**14.2.2004** Audit had pointed out that library books issued to the university employees since 1980 had not been returned hence there were little chances of their retrieval. Moreover, value of the books had tremendously increased.

The Department explained that the books outstanding in the name of borrowers was not a loss which were got issued by the teachers for preparation of lectures and research work. The process of returning the books and getting them re-issued was practically inconvenient to teachers. However, the borrower was invariably responsible for any loss of books.

The Committee accepted the explanation of the department and conditionally settled the para subject to verification of record justifying the contention of the department.

**3.1.2005** The Department explained that the record will be produced for verification at the time of next Audit.

The Department was directed to produce the relevant record to Audit for verification or to effect recovery.

The **para was kept pending.**

## ISLAMIA UNIVERSITY BAHAWALPUR

### **382.            Para No.1 Pages 6 & 7 of Audit Report for the year 1998-99; Non-deduction of withholding tax amounting to Rs.225,349/-.**

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**14.2.2004**        Audit had pointed out non deduction of withholding tax and additional tax @ 5% and 24% respectively at the time of auction of university property and lease of agricultural land.

The Department stated that recovery to the tune of Rs.52,117/- out of Rs.181,584/- in respect of lease of agriculture land and withholding tax of Rs.3,241/- in respect of auction of property had been deducted and deposited into Government Treasury. The Revenue Authorities had also been approached to effect remaining recoveries as arrears of land revenue.

Regarding deduction of Income Tax/withholding tax on unserviceable articles, rental income of a room, campus/hostel canteens and the electricity bills, the department stated that these were not covered under the income tax rules and withholding tax was not leviable.

Finance Department observed that the Department should provide details of concerned firms/persons to Income Tax Department for effecting recovery.

The Committee accepted the explanation of the department and settled the para with the direction that the department should supply the names/details of the defaulters to the income tax authorities for effecting recovery from them at their end.

**12.8.2004**        The Department explained that arrears of Rs.3,000/- and Rs.2,000/- outstanding against the two photo stat firms had been forfeited from their securities. Further, the remaining names of concerned firms/persons had been intimated to Income Tax Department for effecting recovery vide letter dated 9.3.2004.

The Committee accepted the explanation of the department and **settled the para.**

### **383.            Para No.2 Pages 7 & 8 of Audit Report for the year 1998-99; Unauthorized payment of Rs.556,767/- as orderly allowance.**

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**14.2.2004** The Audit had pointed out payment of orderly allowance to professors in violation of Finance Department's letter dated 25-4-1989.

The Department explained that a summary in this regard had been moved to the Chancellor/Competent authority through the Finance Department for the regularization of already paid orderly allowance and decision thereon was awaited.

The Committee kept the para pending till regularization of orderly allowance by the Competent authority.

**3.1.2005** The Department explained that Orderly Allowance was being paid to the Professors of BS-20 on Provisional basis, however, a summary in this regard had been moved to the Chancellor/ competent authority through the Finance Department for the regularization of already paid Orderly Allowance. The decision of the competent authority was awaited.

**The Committee kept the para pending till regularization of Orderly Allowance by the competent authority.**

**384. Para No.3 Pages 9 & 10 of Audit Report for the year 1998-99;  
Irregular payment of Rs.165,983/- as conveyance allowance.**

**14.2.2004** The Audit had pointed out irregular payment of conveyance allowance to teaching staff during summer vacation in violation of Finance Department letter dated 18-8-1997.

The Department explained that total recovery had been effected which was verified by audit.

On the recommendation of audit, **the Committee settled the para.**

**385. Para No.4 Pages 10 & 11 of Audit Report for the year 1998-99;  
Recoverable amount of Rs.53,290/- on account of examination fee.**

**14.2.2004** Audit had pointed out recovery of Rs.53,290/- outstanding against examinees who were allowed to appear in examination without depositing full examination fee during 1996-1997 and 1997-98.

The Department explained the details of outstanding recovery from the students amounting to Rs.29,915/- which stood verified by the audit. Approval of syndicate for waiving off Rs.24,375/- had also been obtained which was also verified by audit.

On the recommendation of audit, **the Committee settled the para.**

**386.                    Para No.5 Pages 11, 12 & 13 of Audit Report for the year 1998-99;  
Recovery of Rs.479,452/- on account of irregular use of coasters.**

**14.2.2004**        The Department explained that classes were held in all the three campuses of the University which were scattered within a distance of 15 kms and coasters were used for official purpose i.e. for pick and drop of the members of the various bodies/Committees for attending meetings, functions, conferences, convocations, seminars and tournaments etc. The facility had been provided in the interest of teaching and research work and this had nothing to do with the Conveyance Allowance drawn by the staff for coming to the office from their residences. It was further stated that the approval of Vice Chancellor/competent authority was available and the log books were also available for verification.

The Committee accepted the explanation of the department and **settled the para.**

**387.                    Para No.6 Pages 13 & 14 of Audit Report for the year 1998-99;  
Irregular and un-authorized payments of Rs.10,044,210/-.**

**14.2.2004**        Audit had expressed concern over payment of electricity and Sui gas charges during 1996-97 and 1997-98 which were Rs.9,016,868/- and Rs.1,027,842/- respectively and that these charges were being shared as 1/3 for campus and 2/3 for three hostels in Baghdad Campus as supply of both facilities was from main meters. The audit was of the view that satisfactory arrangements did not exist to control misuse of these facilities in the hostels.

The Department explained that electricity and Sui Gas supply was made through main meters in bulk. The three hostels were already paying big amount by sharing 2/3 of the total bills, while 1/3 portion of bills was shared by 22 teaching departments. Each student of the three hostels was paying Rs.2260/- per annum and 2 students were residing in a single room who remained in hostel for a short span of time. Even then an amount of Rs.780,000/- had been recovered from them in 1996-97. However, the department was considering to install sub meters to avoid flat rate for domestic/office use. During the course of the meeting, the V.C stated that sub-meters at residences had been installed and charges from occupants were being collected accordingly.

The Committee accepted the explanation of the Department and settled the para with the observation that the Department should look into the matter of equitable sharing of liability of utility charges by the hostels and the teaching Departments.

**12.8.2004**        The Committee accepted the explanation of the department and **settled the para.**

**388.                    Para No.7 Page 14 of Audit Report for the year 1998-99; Non-  
deduction of income tax at source amounting to Rs.36,148/-.**

**14.2.2004** Audit had pointed out non deduction of income tax on different purchases/services rendered.

The Department explained the recoveries made from two legal advisors of the university and the position regarding the five persons who had supplied store items and stationery. It was stated that one firm namely M/s General Tyres & Rubbers Company Pakistan Ltd. Karachi was exempted from the payment of income tax. Remaining four firms had paid income tax @ 2.5% while deduction had to be made @ 3.5%, which could not be made due to late receipt of intimation in this regard in the University. Meanwhile, Income Tax Authorities had been requested to recover the remaining 1% tax from the defaulters.

The Committee settled the para with direction that the department should supply the list of defaulters to the income tax department for deduction of remaining income tax/ withholding tax.

**12.8.2004** In compliance with PAC directions, the Department explained that an amount of Rs.1984/- had been deducted from the bill of M/s Pak Land Scientific Lahore and deposited in National Bank on account of Income Tax. The list of defaulters had also been supplied to Income Tax Authorities in compliance with the directions of PAC.

The Committee accepted the reply of the Department and the **para was settled.**

**389. Para No.8 Page 15 of Audit Report for the year 1998-99; Loss of Rs.23,356/- on account of theft of sui gas meter.**

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**14.2.2004** Audit had pointed out that after the theft of Sui Gas meter from Al-Zuhara Hostel an expenditure of Rs.23,356/- was incurred on the re-installation of new meter causing loss to the Government.

The Department explained that the case for write off of the loss would be placed before the Syndicate.

The Committee conditionally settled the para subject to write off of the loss by the competent authority.

**12.8.2004** The Department stated that the Syndicate/competent authority had written off the loss of theft of sui gas meter in its meeting held on 8.5.2004.

On the verification and recommendation of audit, **the para was settled.**

**390.                    Para No.9 Page 16 of Audit Report for the year 1998-99; Defective maintenance of record.**

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**14.2.2004**        The Audit had pointed out defective maintenance of log books of vehicles, cash book and G.P. fund accounts etc. and had suggested that correct procedure should be adopted.

The Department explained that the suggestions of the audit had been noted and that the record was being maintained in the light of their instructions.

On the recommendations of audit, **the Committee settled the para.**

**391.                    Para No.10 Pages 17 & 18 of Audit Report for the year 1998-99; Non-production of record for Rs.2,708,424/-.**

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**14.2.2004**        Audit had pointed out that certain auditable documents involving record for Rs.2,708,424/- were not produced to audit hence their genuineness or otherwise could not be certified.

The Department explained that relevant record as required by audit in the instant para was available for verification.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**12.8.2004**        The Department stated that the requisite record was available/ready for verification.

The para was settled subject to verification of record by audit.

**3.1.2005**        The Department explained that the matter had been inquired and no irregularity was found in this case, however, Sales Tax Department was intimated for the recovery of Rs.13,206/- from the defaulting firm.

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

**PUNJAB EDUCATION FOUNDATION**

**Audit Paras (Commercial) for the year 1998-99**

**392.                    Para No.3(xi) Page 6 of Audit Report for the year 1998-99; Punjab**

**Education Foundation, Lahore.**

**13.2.2004** Audit had pointed out non submission of account of Punjab Education Foundation for the year 1998-99 comprising 24 current and 58 arrear accounts.

The Department explained that the accounts for the year 1998-99 & 1999-2000, as arrear accounts and current accounts respectively were forwarded to the office of DG Commercial Audit & Evaluation vide letter dated 20-12-2000. It was further stated that the staff of the department was not properly trained to prepare accounts on commercial lines and requested the Audit to arrange a training programme for their staff for the purpose.

Finance Department suggested that the department could seek assistance of MPDT department for staff training.

The Committee accepted the explanation of the department and **settled the para, with directions that the department should submit accounts in time and maintain them on commercial pattern in future.**

**393.           Para No.92 Page 61 of Audit Report for the year 1998-99;**  
**Working results.**

**13.2.2004**     The Committee settled the para, being of introductory nature.

**394.           Para No.93 Page 61 of Audit Report for the year 1998-99;**  
**Working results.**

**13.2.2004**     Audit had pointed out gradual decrease in income/profit of the Punjab Education Foundation.

The Department explained that an amount of Rs.12,513,698/- was wrongly charged to head of other expenses due to accounting error which was received from Bank of Punjab at PLS profit rate instead of Term Deposit Fixed profit rate from investment of Rs.250 million at the time of policy shift in investment from TDR to Regular Income Certificate Scheme as the profit position was likely to improve due to long term investment in the latter Scheme carrying the profit rate of 18%.It was further stated that TDR valuing Rs.250 million was encashed on the orders of the competent authority for investing the same with National Savings Directorate in relaxation of Treasury Rules.

Finance Department stated that a departmental committee comprising one officer each of Administrative Department, Finance Department & Commercial Audit constituted by

PAC-II was already looking into a para pertaining to PEF and the matter of wrong accounting treatment etc. in this case could be referred to the same Committee for necessary probe and fixing responsibility.

The Committee kept the para pending with the direction that the departmental Committee already constituted should look into the matter, check the relevant record and fix responsibility.

**3.1.2005** Department explained that the matter of transfer of funds from Bank of Punjab to National Saving Centre was considered necessary by the Department and summary to the CM/ Competent Authority was moved through the Education Department/Finance Department and Minister for Education. The Chief Minister was pleased to allow to invest the funds for five years in National Saving Centre at the rate of 18% per annum.

The Punjab Education Foundation had received profit from National Saving Centre at the rate of 18% on monthly basis for the whole period of TDR. Punjab Education Foundation had also got exemption of 10% withholding tax on the said funds deposited in the National Saving Centre. Whereas Bank of Punjab had constantly reduced profit rate from 18% to 16%, 14%, 13%, 12%, 11% and 8.5% from July 1997 to June 2002 and profit was also payable on six monthly basis. If funds were placed in the Bank of Punjab, PEF might have suffered a great loss. Therefore, for implementation of the Government orders, the transfer of funds was made in the best interest of PEF and thus had generated more profit and not loss.

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

**395.            Para No.94 Page 62 of Audit Report for the year 1998-99;**  
**Working results.**

**13.2.2004** Audit had pointed out that the department was providing interest free loans to the NGOs and efforts were needed to be accelerated to recover the loans lest they became bad debts.

The Department explained that strenuous efforts in coordination with District Revenue authorities were being made for recovery of outstanding installments as a result of which 94.10% amount had been recovered. Necessary record of recovery was available for verification. During the meeting, the Department further stated that 21 NGOs challenged the stoppage of grants to them and the High Court had decided the case against the Department and an appeal against this decision would be filed in the Supreme Court.

The Committee settled the para to the extent of recoveries effected subject to verification by audit and the remaining part of the para was kept pending being sub-judice.

**3.1.2005** The Department explained that the cases were being followed vigorously and out of seven cases, three had been decided in favour of Foundation. The issue of recovery was also



vigorously being pursued.

The Committee decided to reduce the para to the extent of recoveries effected and the remaining part of the para was kept pending for effecting the balance recovery and pursuing the cases in the court of law.

**396.           Para No.95 Page 62 of Audit Report for the year 1998-99;**  
**Working results.**

**13.2.2004**      Audit had pointed out that other liabilities included interest payable on GP Fund amounting to Rs.40,000/- and pension contribution of Rs.3.735 Million on June, 30, 1998, the details of which were not shown to audit.

The Department explained that necessary details i.e. working and record was available for verification. The audit verified that necessary details were provided to audit which were found correct.

In view of audit's verification, **the para was settled.**

**397.           Para No.96 Page 62 of Audit Report for the year 1998-99;**  
**Working results.**

**13.2.2004**      Audit referring to para 55 of Audit Report for 1996-97 had pointed out that an amount of Rs.250 million was accounted for as fixed deposit instead of recoverables.

The Department explained that Para 55 of Audit Report 1996-97 was discussed and settled in the meeting of adhoc PAC held on 24-2-2001 with the observation that steps should be taken to regularize the action. In pursuance of the directions given by the PAC, the matter had been regularized by the Finance Department.

Finance Department stated that the matter had since been regularized.

The Committee accordingly settled the para.

**398.           Para No.97 Page 63 of Audit Report for the year 1998-99;**  
**Working results.**

**13.2.2004**      Audit had pointed out that the Foundation had not so far prepared its accounts on commercial pattern.

The Department explained that a similar observation vide para 51 of Audit Report of 1996-97 was discussed in Ad-hoc PAC meetings in which the department had contended that



accounts of Foundation were being maintained as per Rule 23 of Punjab Education Foundation Accounts Rules 1991. The Committee had settled the para with directions that audit should give a comprehensive report on the performance of PEF in the next audit report.

In the instant case, the department reiterated its previous contention that accounts were being maintained according to Punjab Education Foundation Rules.

Finance Department observed that commercial accounting system was not being adopted in PEF and suggested that necessary training be given to the staff.

**The Committee settled the para with the observation that such accounts needed to be maintained on commercial pattern.**

The Committee examined the Accounts of the Excise & Taxation Department in its meeting held on 4.3.2004, 5.3.2004, 2.9.2004 & 10.2.2005 and made the following recommendations:-

### **Audit Paras (Revenue Receipts) for the year 1998-99**

#### **1. Para No.1.1 Page 9 of Audit Report for the year 1998-99; Non-realization of 15 per cent Government share of property tax from Cantonment Boards-Rs.21,619,307/-.**

**4.3.2004** Audit had pointed out that there was non-realization of 15% Govt. share of property tax outstanding against Cantonment Boards.

The Department explained that the matter had been taken up with the Ministry of Defence, Government of Pakistan, to issue instructions to all the Cantonment Executive Officers in Punjab for release of 15% share of property tax. It was further stated that consolidated information was being prepared for onward transmission to the Ministry of Defence.

(i) PDP No.4827 ETO, Bahawalpur-Rs.535,560/-.

**4.3.2004** The Department explained that an amount of Rs.250,000/- had been recovered and verified by audit.

The Committee kept the para pending and directed the department to pursue matter of balance recovery with Federal Government.

**2.9.2004** The Department explained that matter had been taken up with the Ministry of Defence, Islamabad to issue necessary instructions to all the Cantonment Executive Officers for the release of 15% share of property tax.

D.G Revenue Receipts informed the Committee that the matter of non-payment of 15% Provincial share of Property Tax had likewise been brought to the notice of D.G Audit Defence Services for further action.

The Committee kept the above mentioned item pending

**10.2.2005** The department explained that matter had already been taken up with Government of Pakistan, Ministry of Defence, Islamabad to issue necessary instructions to all the Cantonment Executive Officers in the Punjab for the release of 15% share of Property Tax.

The department was directed to pursue the case through Chief Secretary Punjab and Auditor General of Pakistan for early finalization of the case. **The item was kept pending.**

(ii) PDP No.5199 ETO-II, Gujranwala-Rs.553,037/-.

**4.3.2004** The Department explained that the entire amount had been recovered and got verified by Audit.

The **Committee settled the item.**

(iii) PDP No.4977 & 5237 ETO, (Entt), Lahore-Rs.19,082,915/-.

**4.3.2004** The Department explained that an amount of Rs.8,500,000/- had been realized, leaving balance of Rs.10,582,915/-.

The Committee kept the items pending for balance recovery.

**2.9.2004** The Department explained that matter had been taken up with the Ministry of Defence, Islamabad to issue necessary instructions to all the Cantonment Executive Officers for the release of 15% share of property tax.

D.G Revenue Receipts informed the Committee that the matter of non-payment of 15% Provincial share of Property Tax had likewise been brought to the notice of D.G Audit Defence Services for further action.

The Committee kept the above mentioned item pending

**10.2.2005** The department explained that matter had already been taken up with Government of Pakistan, Ministry of Defence, Islamabad to issue necessary instructions to all the Cantonment Executive Officers in the Punjab for the release of 15% share of Property Tax.

The department was directed to pursue the case through Chief Secretary Punjab and Auditor General of Pakistan for early finalization of the case. **The item was kept pending.**

(iv) PDP No.5315 ETO, Sargodha-Rs.300,947/-.

**4.3.2004** The Department explained that entire amount of para Rs.300,947/- was outstanding.

The Committee kept the item pending for effecting recovery.

**2.9.2004** The Department explained that matter had been taken up with the Ministry of Defence, Islamabad to issue necessary instructions to all the Cantonment Executive Officers for the release of 15% share of property tax.

D.G Revenue Receipts informed the Committee that the matter of non-payment of 15% Provincial share of Property Tax had likewise been brought to the notice of D.G Audit Defence Services for further action.

The Committee kept the above mentioned item pending

**10.2.2005** The Department explained that matter had already been taken up with Government of Pakistan, Ministry of Defence, Islamabad to issue necessary instructions to all the Cantonment Executive Officers in the Punjab for the release of 15% share of Property Tax.

The department was directed to pursue the case through Chief Secretary Punjab and Auditor General of Pakistan for early finalization of the case. The **item was kept pending.**

(v) PDP No.5039 ETO-I, Multan-Rs.697,591/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the item.**

(vi) PDP No.5398 ETO, Jhelum-Rs.469,257/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the item.**

## **2. Para No.1.2 Page 10 of Audit Report for the year 1998-99; Non-assessment and realization of additional tax-Rs.6,940,378/-.**

**4.3.2004** Audit had pointed out non-assessment and non-realization of 25% additional tax payable in respect of owners self occupied property built on a plot of land measuring 2 kanals or more or having covered area exceeding 6000 Sqft.

(i) PDP No.4233 & 4902 ETO Zone-III, Lahore-Rs.115,997/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the item.**

(ii) PDP No.5231 ETO Zone-IV, Lahore-Rs.78,704/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the item.**

(iii) PDP No.4965 ETO Zone-V, Lahore-Rs.105,920/-.

**4.3.2004** The Department explained that the balance amount of Rs.19,657/- was against Civil Aviation Authority Lahore which had applied for exemption. The case was under consideration.

The Committee kept the para pending for effecting the balance recovery.

**2.9.2004** The Department explained that entire amount had been recovered and verified by Audit.

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

(iv) PDP No.5292 ETO Zone-V, Lahore-Rs.131,347/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the item.**

(v) PDP No.5303 ETO Zone-VII, Lahore-Rs.41,611/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the item.**

(vi) PDP No.5308 ETO Zone-VIII, Lahore-Rs.115,898/-.

(vii) PDP No.4983 ETO Zone-IX, Lahore-Rs.18,718/-.

(viii) PDP No.4560 ETO-I, Gujramwala-Rs.30,378/-.

(ix) PDP No.5198 ETO-I, Gujranwala-Rs.41,903/-.

The entire amount had been recovered and verified by audit. **The Committee settled the items.**

(x) PDP No.4558 ETO-II, Gujranwala-Rs.227,929/-.

**4.3.2004** The Department explained that an amount of Rs.12,577/- had been recovered and verified by audit. With reference to the balance of property tax of Rs.215,352/- pending against WAPDA, the Department explained that the Punjab Government made an agreement with WAPDA that in lieu of tax exemption on WAPDA properties by Punjab Government, WAPDA would charge concessional tariff for street lights and drinking water tube wells etc. Accordingly, notification remitting property tax on WAPDA properties was issued. A copy of the notification was also shown to the Committee. As many as 18 paras were included in the present audit report involving property tax against WAPDA.

Finance Department observed that such remittances were competently made under section 3 of the Punjab Urban Immovable Property Tax Act 1958.

The Committee settled all the para included in this report to the extent of property tax dues against WAPDA in view of the agreement between the Punjab Government and WAPDA and the notification issued by the former remitting all such dues against WAPDA.

(xi) PDP No.4802 ETO-III, Gujranwala-Rs.77,399/-.

**4.3.2004** The Department explained that an amount of Rs.18,225/- had been recovered and verified by Audit.

The item was kept pending for effecting balance recovery of Rs.59,174/-

**2.9.2004** The Department explained that efforts were being made to effect balance recovery of Rs.59,174/- from BISE, Gujranwala.

The Committee kept the item pending for effecting balance recovery.

**10.2.2005** The department explained that entire recovery had been effected and verified by the Audit.

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

(xii) PDP No.5214 ETO-III, Gujranwala-Rs.20,802/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the item.**

(xiii) PDP No.5160 ETO-I, Faisalabad-Rs.259,142/-.

**4.3.2004** Audit vide their comments stated that the amount pointed out against hotels was withdrawn by the Department and recommended the item for settlement.

The **item was settled accordingly.**

(xiv) PDP No.5226 ETO, Hafizabad-Rs.29,892/-.

**4.3.2004** The Department explained that in view of remittance allowed to WAPDA by Government of the Punjab, no recovery was due.

The **Committee settled the item.**

(xv) PDP No.5314 ETO, Sargodha-Rs.52,508/-.

**4.3.2004** The Department explained that this item had been settled in SDAC meeting held on 27.4.2002. The Committee settled the item subject to verification of record by audit.

**2.9.2004** Audit had pointed out non-recovery of 25% additional tax payable in respect of owners self occupied property built on a plot of land measuring 2 kanals or more or having covered area exceeding 6000 sft.

The Department explained that entire amount had been recovered and verified by Audit.

On the recommendation of audit, **item was settled.**

(xvi) PDP No.5253 ETO, Khanewal-Rs.26,748/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the item.**

(xvii) PDP No.5037 & 5038 ETO-I, Multan-Rs.4,263,288/-.

**4.3.2004** The Department explained that after change of status of PTCL as a company, it no more remained under the ambit of property tax exemption and hence the demand was created. Presently the matter was subjudice in the Lahore High Court, Lahore on a review petition filed by the Department. Similar was the situation with regard to MDA and other Development



Authorities which did not fall within the definition of Local Authority and the case was being adjudicated upon by the higher courts.

As the matter was subjudice, the Committee kept the items pending.

**2.9.2004** The Department explained that amounts involved in these paras were outstanding against MDA, PTCL & Market Committee and the case was being adjudicated upon by the courts.

The case being sub-judice, the item was kept pending.

**10.2.2005** The department explained that cases were still sub-judice and being pursued in the court vigorously.

**The item was kept pending being sub-judice.**

(xviii) PDP No.5056 ETO-III, Multan-Rs.508,468/-.

**4.3.2004** The Department explained that in view of remittance allowed to WAPDA by Government of the Punjab, no recovery was due.

**The Committee settled the item.**

(xix) PDP No.5061 ETO-III, Multan-Rs.21,133/-.

(xx) PDP No.5275 ETO, Vehari-Rs.118,039/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the items.**

(xxi) PDP No.5371 ETO, Okara-Rs.146,222/-.

**4.3.2004** The Department explained that an amount of Rs.126,941/- had been recovered and verified by audit. An amount of Rs.10,267/- was shown as “not due”

The Committee kept the item pending for balance recovery.

**2.9.2004** Audit had pointed out non-recovery of 25% additional tax payable in respect of owners self occupied property built on a plot of land measuring 2 kanals or more or having covered area exceeding 6000 sft.

The Department explained that entire amount had been recovered and verified by Audit.

On the recommendation of audit, **item was settled.**

(xxii) PDP No.5361 ETO, Kasur-Rs.36,285/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the item.**

(xxiii) PDP No.5126 ETO, Rajanpur-Rs.43,025/-.

**4.3.2004** On the recommendation of audit, **the item was settled.**

(xxiv) PDP No.5494 ETO, Sheikhupura-Rs.413,702/-.

**4.3.2004** The Department explained that an amount of Rs.59,424/- had been recovered and verified by audit. An amount of Rs.22,023/- was pending against PTCL and Market Committee and the matters in this regard were subjudice. An amount of Rs.155,563/- was outstanding against WAPDA which stood remitted as per Punjab Government's notification.

The Committee settled the item to the extent of recovery verified by audit as well as recovery due from WAPDA in view of the remittance allowed by the Government of the Punjab. The remaining part was kept pending till balance recovery.

**2.9.2004** The Department explained that amounts involved in these paras were outstanding against MDA, PTCL & Market Committee and the case was being adjudicated upon by the courts.

The case being sub-judice, the item was kept pending.

**10.2.2005** The department explained that cases were still sub-judice and being pursued in the court vigorously.

The item was kept pending being sub-judice.

(xxv) PDP No.5585 ETO, Bahawalnagar-Rs.28,897/-.

**4.3.2004** The entire amount had been recovered. On the recommendation of audit, **the Committee settled the item.**

**3. Para No.1.3 Pages 11 & 12 of Audit Report for the year 1998-99;  
Non-realization of arrears of property tax-Rs.5,740,280/-.**

**4.3.2004** Audit had pointed out non-realization of arrears of property tax, which remained unpaid after due date without sufficient cause to the satisfaction of the collector which were required to be recovered as arrears of land revenue.

- (i) PDP No.5182 ETO Zone-I, Lahore-Rs.43,367/-.
- (ii) PDP No.5186 ETO Zone-II, Lahore-Rs.25,168/-.
- (iii) PDP No.5190 & 4235 ETO Zone-III, Lahore-Rs.193,828/-.
- (iv) PDP No.4971 ETO Zone-IV, Lahore-Rs.409,306/-.
- (v) PDP No.5291 ETO Zone-V, Lahore-Rs.264,274/-.
- (vi) PDP No.4860 ETO Zone-VI, Lahore-Rs.420,732/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the items.**

- (vii) PDP No.5298 ETO Zone-VI, Lahore-Rs.532,832/-.

**4.3.2004** The Department explained that Rs.158,157/- had been recovered and verified by audit. An amount of Rs.17,470/- fell within the remission granted to WAPDA and balance of Rs.89,054/- was recoverable.

The Committee settled the item to the extent of recovery due from WAPDA in view of the remittance allowed by Government of the Punjab and the recovery already verified by audit, and kept the remaining part pending till balance recovery.

**2.9.2004** The Department explained that in the light of directions of Lahore High Court, District Officer (Rev) had been requested to take necessary steps for auction of concerned property units for recovery of arrears of property tax.

The para was kept pending for balance recovery.

**10.2.2005** The department explained that in the light of direction of Lahore High Court, Lahore final legal action as provided in the law was adopted. Accordingly the defaulter assessee had put in an undertaking to make payment of outstanding amount in installments upto 31.03.2005. First installment of Rs.50,000/- had been recovered

**The item was kept pending till complete recovery and its verification by Audit.**

(viii) PDP No.5306 ETO Zone-VIII, Lahore-Rs.87,976/-.

(ix) PDP No.5191 ETO Zone-XII, Lahore-Rs.304,836/-.

(x) PDP No.5176 ETO-I, Gujranwala-Rs.108,999/-.

(xi) PDP No.5207 ETO-III, Gujranwala-Rs.289,047/-.

(xii) PDP No.5202 ETO-II, Gujranwala-Rs.150,587/-.

(xiii) PDP No.5223 ETO, Hafizabad-Rs.73,029/-.

(xiv) PDP No.5157 ETO-I, Faislabad-Rs.150,006/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the items.**

(xv) PDP No.5041 ETO-I, Multan-Rs.544,550/-.

**4.3.2004** The Department explained that the recovery was outstanding against MDA, which being a development authority did not fall within the definition of “local authority” and therefore, was not exempted from payment of property tax. However, in view of the decision of Lahore High Court, Multan Bench, the Department was filing an appeal against the same.

Since the matter was under adjudication, the Committee kept the para pending.

**2.9.2004** The Department explained that the matter was being adjudicated upon by the courts.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that amounts were outstanding against MDA, Multan. The matters were under adjudication

The item was kept pending.

(xvi) PDP No.5042 ETO-I, Multan-Rs.315,410/-.

**4.3.2004** The entire amount had been recovered and verified by audit, **the Committee settled the item.**

(xvii) PDP No.5047 ETO-II, Multan-Rs.946,993/-.

**4.3.2004** The Department explained that the recovery was outstanding against MDA, which being a development authority did not fall within the definition of “local authority” and therefore, was not exempt from payment of property tax. However, in view of the decision of Lahore High Court, Multan Bench, the Department was filing an appeal against the same.

Since the matter was under adjudication, the Committee kept the item pending.

**2.9.2004** The Department explained that the matter was being adjudicated upon by the courts.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that amounts were outstanding against MDA, Multan. The matters were under adjudication

The item was kept pending.

(xviii) PDP No.5051 ETO-II, Multan-Rs.96,434/-.

**4.3.2004** The Department explained that efforts were being made for effecting balance recovery. The Committee conditionally settled the item, subject to balance recovery.

**2.9.2004** The Department stated that entire amount had been recovered and got verified by Audit.

On the recommendation of audit, **item was settled.**

(xix) PDP No.5060 ETO-III, Multan-Rs.73,041/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the item.**

(xx) PDP No.5313 ETO, Sargodha-Rs.65,776/-.

**4.3.2004** The Department explained that recovery of Rs.47,255/- had been verified by audit whereas the balance amount had also been recovered.

The Committee conditionally settled the item subject to verification by audit of recovery made.

**2.9.2004** The Department stated that entire amount had been recovered and got verified by Audit.

On the recommendation of audit, **item was settled.**

(xxi) PDP No.5345 ETO, Mianwali-Rs.192,569/-.

(xxii) PDP No.5332 ETO, Khushab-Rs.95,969/-.

**4.3.2004** The entire amount had been recovered and verified by audit. **The Committee settled the items.**

(xxiii) PDP No.5495 ETO, Sheikhpura-Rs.375,561/-.

**4.3.2004** The Department explained that efforts for balance recovery of Rs.57,088/- were being made.

The Committee kept the item pending with the direction that the Department should effect balance recovery at the earliest.

**2.9.2004** The Department explained that the balance amount was outstanding against PTCL and Mr. Mushtaq Ahmed who was involved in a murder case had died in Jail and no legal heir was available.

The Committee directed that the amount of recovery be bifurcated and directed the Department to move the case for write off of the amount outstanding against Mr. Mushtaq Ahmed (deceased) to the competent forum

The case in respect of PTCL being sub-judice, the para was kept pending.

**10.2.2005** The department explained that out of Rs.34,111/-, the recoverable amount of Rs.26,509/- had been recovered and verified by the Audit. The case of balance amount of Rs.7,602/- recoverable from PTCL was in the court.

**The item was reduced to extent of Rs.7,602/-and kept pending.**

**4. Para No.1.4 Pages 12 & 13 of Audit Report for the year 1998-99; Non-recovery of government revenue due to non-issuance of demand notices in respect of property units owned by WAPDA, PTCL and other development**

**authorities-Rs.44,477,028/-.**

**4.3.2004** Audit had pointed out non recovery of Govt. revenue due to non-issuance of demand notices in respect of property units owned by WAPDA, PTCL and Development authorities.

- (i) PDP No.5180 ETO Zone-I, Lahore-Rs.691,207/-.

**4.3.2004** The Department explained that in view of remittance allowed to WAPDA by Government of Punjab, no recovery was due.

The **Committee settled the item.**

- (ii) PDP No.5188 ETO Zone-III, Lahore-Rs.24,473,611/-.

**4.3.2004** The Department explained that an amount of Rs.23,223,982/- fell within the remittance allowed to WAPDA by Punjab Government, whereas an amount of Rs.1,249,629/- was duplication.

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

- (iii) PDP No.5293 ETO Zone-V, Lahore-Rs.822,141/-.

**4.3.2004** The Department explained that in view of remittance allowed to WAPDA by the Punjab government, no recovery was due.

The **Committee settled the item.**

- (iv) PDP No.4197, 5300 & 5302 ETO Zone-VI, Lahore-Rs.7,094,409/-.

**4.3.2004** The Department explained that out of total recovery an amount of Rs.6392,045/- was not due in view of remittance allowed to WAPDA by the Punjab Government. Balance amount of Rs.702,364/- was outstanding against LDA and PTCL for which the matters were pending in the Court.

The Committee settled the part pertaining to WAPDA and kept the remaining part pending till the decision of the Court.



**2.9.2004** The Department explained that balance recovery in respect of above para was outstanding against PTCL and different development authorities and the case was pending in court.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that cases were being pursued in the court of law vigorously.

The **item was kept pending being sub-judice.**

(iv) PDP No.4278 ETO Zone-VII, Lahore-Rs.17,992/-.

(vi) PDP No.4982 ETO Zone-IX, Lahore-Rs.28,781/-.

(vii) PDP No.5192 ETO Zone-XII, Lahore-Rs.121,176/-.

**4.3.2004** The Department explained that in view of the remittance allowed to WAPDA by Punjab Government, no recovery was due.

The **Committee settled the items.**

(viii) PDP No.5175 ETO Zone-II, Gujranwala-Rs.4,906,810/-.

**4.3.2004** The Department explained that an amount of Rs.265,828/- was not due in view of remittance allowed to WAPDA by Punjab Government. Remaining amount was outstanding against PTCL, GDA and Punjab liquidation Board. Recoveries pertaining to GDA&PTCL were subjudice. A sum of Rs.82240/- was outstanding against Punjab Liquidation Board, out of which Rs.43000/- had been recovered on 26-6-2003 and notices for effecting balance recovery had been issued.

The Committee settled the portion pertaining to WAPDA and kept the remaining part pending.

**2.9.2004** The Department explained that balance recovery in respect of above para was outstanding against PTCL and different development authorities and the case was pending in court.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that cases were being pursued in the court of law

vigorously.

**The item was kept pending being sub-judice.**

(ix) PDP No.4795 ETO Zone-III, Gujranwala-Rs.677,360/-.

**4.3.2004**  
subjudice.

The Department explained that recovery related to GDA and the matter was

The Committee kept the item pending.

**2.9.2004**

The Department explained that balance recovery in respect of above para was outstanding against PTCL and different development authorities and the case was pending in court.

The matter being sub-judice, item was kept pending.

**10.2.2005**  
vigorously.

The department explained that cases were being pursued in the court of law

**The item was kept pending being sub-judice.**

(x) PDP No.4799 & 5209 ETO Zone-III, Gujranwala-Rs.360,063/-.

**4.3.2004**

The Department explained that in view of the remittance allowed to WAPDA by Punjab Government, no recovery was due.

**The Committee settled the items.**

(xi) PDP No.4058, 4062 & 5171 ETO Zone-I, Faislaabad-Rs.1,065,015/-.

**4.3.2004**

The Department explained that recovery to the tune of Rs.1586,391/- against WAPDA was not due in view of the remittance allowed to WAPDA by Punjab Government. Balance recovery was due from PTCL and FDA. The matter pertaining to PTCL was subjudice in the Court and FDA was claiming the status of a "local authority" which was not justified.

The Committee settled the item to the extent of amount pertaining to WAPDA and the remaining part was kept pending.

**2.9.2004**

The Department explained that balance recovery in respect of above para was outstanding against PTCL and different development authorities and the case was pending in court.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that cases were being pursued in the court of law vigorously.

The **item was kept pending being sub-judice.**

(xii) PDP No.5171 ETO Zone-II, Faislabad-Rs.83,899/-.

**4.3.2004** The Department explained that recovery to the tune of Rs.1586,391/- against WAPDA was not due in view of the remittance allowed to WAPDA by Punjab Government. Balance recovery was due from PTCL and FDA. The matter pertaining to PTCL was subjudice in the Court and FDA was claiming the status of a “local authority” which was not justified.

The **Committee settled the item to the extent of amount pertaining to WAPDA and the remaining part was kept pending.**

(xiii) PDP No.5171 ETO Zone-III, Faislabad-Rs.3,324,068/-.

**4.3.2004** The Department explained that recovery to the tune of Rs.1586,391/- against WAPDA was not due in view of the remittance allowed to WAPDA by Punjab Government. Balance recovery was due from PTCL and FDA. The matter pertaining to PTCL was subjudice in the Court and FDA was claiming the status of a “local authority” which was not justified.

The **Committee settled the item to the extent of amount pertaining to WAPDA and the remaining part was kept pending.**

(xiv) PDP No.4833 ETO, Bahawalpur-Rs.75,513/-.

**4.3.2004** The Department explained that in view of the remittance allowed to WAPDA by Punjab Government, no recovery was due.

The **Committee settled the item.**

(xv) PDP No.4728 ETO Zone-II, Multan-Rs.177,834/-.

**4.3.2004** The Department explained that the recovery was outstanding against MDA, which being a development authority did not fall within the definition of “local authority” and therefore, was not exempt from payment of property tax. However, in view of the decision of Lahore High Court, Multan Bench, the Department was filing an appeal against the same.

Since the matter was under adjudication, the Committee kept the item pending.

**2.9.2004** The Department explained that balance recovery in respect of above para was outstanding against PTCL and different development authorities and the case was pending in court.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that cases were being pursued in the court of law vigorously.

**The item was kept pending being sub-judice.**

(xvi) PDP No.4915 ETO, Gujrat-Rs.557,149/-.

**4.3.2004** The Department explained that out of total recovery, an amount of Rs.47924/- against WAPDA was not due in view of remittance granted to it by the Punjab Government. The remaining amount of Rs.509,225/- was due from PTCL, for which case was pending in the Court.

The Committee settled portion relating to WAPDA and kept the remaining part pending relating to PTCL till the decision by the Court.

**2.9.2004** The Department explained that balance recovery in respect of above para was outstanding against PTCL and different development authorities and the case was pending in court.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that cases were being pursued in the court of law vigorously.

**The item was kept pending being sub-judice.**

(iv) PDP No.5302 ETO Zone-VI, Lahore-Rs.7,094,409/-.

**4.3.2004** The Department explained that out of total recovery an amount of Rs.6392,045/- was not due in view of remittance allowed to WAPDA by the Punjab Government. Balance amount of Rs.702,364/- was outstanding against LDA and PTCL for which the matters were pending in the Court.

The Committee settled the part pertaining to WAPDA and kept the remaining part pending till the decision of the Court.

**2.9.2004** The Department explained that balance recovery in respect of above para was outstanding against PTCL and different development authorities and the case was pending in court.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that cases were being pursued in the court of law vigorously.

The item was kept pending being sub-judice.

**5. Para No.1.5 Page 14 of Audit Report for the year 1998-99; Non-realization of property tax even after expiry of the validity of court stay orders-Rs.29,098,265/-.**

**4.3.2004** Audit had pointed out non-realization of property tax even after expiry of validity of the stay orders issued by the courts.

PDP No.4900 ETO Zone-3, Lahore-Rs.32,098,265/-.

**4.3.2004** The Department explained that an amount of Rs.12,201,428/- had been recovered and verified by audit, whereas balance amount was outstanding against PTCL and the matter was subjudice.

The Committee kept the item pending till decision by the court.

**2.9.2004** The Department explained that a further recovery of Rs.86,000/- had been made and balance recovery of Rs.1,249,708/- was outstanding against PTCL. The case in this regard was sub-judice.

The Committee kept the item pending till decision by the court.

**10.2.2005** The department explained that para was reduced to the extent of Rs.1,249,629/- by the PAC. The Lahore High Court, Lahore had given decision against the department, a review petition had been filed and the same was to be decided.

The item was kept pending being sub-judice.

**6. Para No.1.6 Page 15 of Audit Report for the year 1998-99; Non-realization of property tax from market committees-Rs.1,328,962/-.**

**4.3.2004**      Audit had pointed out non-realization of property tax from Market Committees.

(i)      PDP No.5156 ETO-I, Faisalabad-Rs.733,687/-.

The Department explained that Market Committees were claiming the status of “Local Authority” which was not justified and the matters in this regard were pending adjudication by the courts.

As the matter was subjudice, the Committee kept the item pending.

**2.9.2004**      The Department explained that Market Committee was claiming the status of “local authority”, whereas now only the Provincial Govt./District Govt. fell within that category. Case was, therefore, pending in the court.

The matter being sub-judice, item was kept pending.

**10.2.2005**      The department explained that case was being pursued in the court of law vigorously.

**The item was kept pending being sub-judice.**

(ii)      PDP No.5498 ETO, Sheikhupura-Rs.174,852/-.

**4.3.2004**      In view of the explanation of the Department that the matter was subjudice, the Committee kept the item pending.

**2.9.2004**      The Department explained that Market Committee was claiming the status of “local authority”, whereas now only the Provincial Govt./District Govt. fell within that category. Case was, therefore, pending in the court.

The matter being sub-judice, item was kept pending.

**10.2.2005**      The department explained that case was being pursued in the court of law vigorously.

**The item was kept pending being sub-judice.**

(iii)      PDP No.5512 ETO, Toba Tek Singh-Rs.275,526/-.

**4.3.2004** In view of the explanation of the Department, that the matter was subjudice, the Committee kept the item pending.

**2.9.2004** The Department explained that Market Committee was claiming the status of “local authority”, whereas now only the Provincial Govt./District Govt. fell within that category. Case was, therefore, pending in the court.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that case was being pursued in the court of law vigorously.

**The item was kept pending being sub-judice.**

(iv) PDP No.5598 ETO, Lodhran-Rs.108,231/-.

**4.3.2004** The Department explained that an amount of Rs.91,234/- had been recovered and verified by audit. The balance was outstanding against Market Committee.

The Committee kept the item pending till balance recovery.

**2.9.2004** The Department explained that Market Committee was claiming the status of “local authority”, whereas now only the Provincial Govt./District Govt. fell within that category. Case was, therefore, pending in the court.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that case was being pursued in the court of law vigorously.

**The item was kept pending being sub-judice.**

(v) PDP No.5278 ETO, Vehari-Rs.36,666/-.

**4.3.2004** The Department explained that an amount of Rs.20,233/- had been recovered and verified by audit. The balance was outstanding against Market Committee.

The Committee kept the item pending till balance recovery.

**2.9.2004** The Department explained that Market Committee was claiming the status of “local authority”, whereas now only the Provincial Govt./District Govt. fell within that category.



Case was, therefore, pending in the court.

The matter being sub-judice, item was kept pending.

**10.2.2005** The department explained that entire recovery had been effected.

**The item was settled subject to verification of recovery by Audit.**

**7.            Para No.1.7 Page 16 of Audit Report for the year 1998-99; Non-realization of property tax arrears due to not carrying forward the year end balances-Rs.760,323/-.**

**5.3.2004**        Audit had pointed out non realization of property tax arrears which remained unpaid even by the end of the year nor were outstanding arrears brought forward from old demand register to the new one.

Finance Department observed that there should be foolproof mechanism of internal audit. The Committee observed that the system should be computerized with a view to making it foolproof.

(i)        PDP No.4939 ETO Zone-X, Lahore-Rs.262,753/-.

**5.3.2004**        The Department explained that an amount of Rs.227,702/- had been recovered and verified by audit. The balance amount of Rs.35,051/- had also been recovered.

The Committee settled the item subject to verification of balance recovery by audit.

**2.9.2004**        The Department explained that entire amount had been recovered and verified by audit.

On recommendation of Audit, the **Committee settled the item.**

(ii)        PDP No.5040 ETO Zone-I, Multan-Rs.191,880/-.

**5.3.2004**        The Department explained that an amount of Rs.158,902/- had been recovered and verified by audit. The balance of Rs.32,978/- had also been recovered.

The Committee settled the item subject to verification of balance recovery by audit.

**2.9.2004**        The Department explained that entire amount had been recovered and verified by

audit.

On recommendation of Audit, the **Committee settled the item.**

(iii) PDP No.5049 ETO Zone-II, Multan-Rs.80,408/-.

(iv) PDP No.5063 ETO Zone-III, Multan-Rs.45,764/-.

(v) PDP No.5117 ETO, D. G. Khan-Rs.31,429/-.

(vi) PDP No.5534 ETO, Bhakkar-Rs.39,073/-.

(vii) PDP No.5254 ETO, Khanewal-Rs.29,469/-.

The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of audit, the **Committee settled the items from Sr.(III) to (VII).**

(viii) PDP No.5257 ETO, Vehari-Rs.79,547/-.

**5.3.2004** The Department explained that an amount of Rs.59,129/- had been recovered and verified by audit. The balance of Rs.20,418/- was outstanding against PTCL and the matter was subjudice.

The Committee kept the item pending being subjudice.

**2.9.2004** The Department explained that balance recovery of Rs.20,480/- was outstanding against PTCL and matter was sub-judice.

The Committee kept the item pending.

**10.2.2005** The department explained that para was reduced to the extent of Rs.20,480/- by PAC and the matter was sub-judice against PTCL.

The para was kept pending being sub-judice.

**8. Para No.1.8 Pages 17 & 18 of Audit Report for the year 1998-99; Non-realization of property tax due to unlawful exemption- Rs.707,564/-.**

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**5.3.2004**

(a) Audit had pointed out that certain property units which were liable to tax after expiry of 3 years were unlawfully exempted from tax.

- (i) PDP No.4247 ETO-IV, Lahore-Rs.12,690/-.
- (ii) PDP No.5305 ETO Zone-VII, Lahore-Rs.222,250/-.
- (iii) PDP No.5206 ETO-II & III, Gujranwala-Rs.33,388/-.
- (iv) PDP No.4887 ETO, Sialkot-Rs.17,334/-.

**5.3.2004**  
by audit.

The Department explained that the entire amount had been recovered and verified

On the recommendation of Audit, the **Committee settled the items from Sr. (I) to (IV).**

**5.3.2004**

(b) Audit had pointed out non-realization of property tax from Market Committees.

- (i) PDP No.5382 ETO, Sahiwal-Rs.85,066/-.
- (ii) PDP No.5382 ETO, Sahiwal-Rs.118,585/-.
- (iii) PDP No.5373 ETO, Okara-Rs.124,371/-.

The Department explained that all the above mentioned paras involved recovery from three Market Committees. In respect of Market Committee Sahiwal and Chichawatni, Lahore High Court, Multan Bench had ordered that adequate surety equal to recoverable tax should be furnished to the Excise & Taxation department and coercive measures would not be adopted. Although the matter of Market Committee Okara was not subjudice, yet it was also claiming exemption on the plea of being a “local authority”.

The Committee kept all the three items pending being similar in nature till final decision by the Court and directed that the department should make efforts for vacation of stay orders granted by the Court and obtain surety from the two Committees in the light of court’s

orders and also furnish a report containing present stage of such cases to PAC. The Committee further observed that the Department could take appropriate action for effecting recovery in cases where there was no stay order by the court.

**2.9.2004**      Audit had pointed out non-realization of Property Tax on certain property units liable to tax after expiry of 3 years exemption period.

The Department explained that amounts involved in items (i) & (ii) were outstanding against two Market Committees which had been directed by Lahore High Court Multan Bench to furnish adequate surety equal to recoverable tax to Excise & Taxation Department; however, as per High Court's directions, coercive measures were not to be adopted. Department stated that surety in question was still awaited and contempt application was being moved. About item (iii), it was stated that efforts for recovery were continuing.

Items (i), (ii) & (iii) were kept pending.

**10.2.2005**      The department explained that cases were being pursued in the court of law vigorously.

**The items were kept pending being sub-judice**

**9.              Para No.1.9 Pages 18 & 19 of Audit Report for the year 1998-99;  
Short-realization of property tax due to computational error-Rs.496,067/-.**

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**5.3.2004**      Audit had pointed out short realization of property tax due to computational error.

- (i)      PDP Nos.5233, 4972 & 4974 ETO Zone-IV, Lahore-Rs.139,976/-.
- (ii)      PDP No.4987 ETO Zone-V, Lahore-Rs.122,174/-.
- (iii)      PDP No.4981 ETO Zone-IX, Lahore-Rs.44,799/-.
- (iv)      PDP No.4934 ETO Zone-XI, Lahore-Rs.20,200/-.
- (v)      PDP No.5177 ETO-I, Gujranwala-Rs.71,255/-.
- (vi)      PDP No.5195 ETO Zone-XII, Lahore-Rs.21,208/-.
- (vii)      PDP No.5579 ETO, Bahawalnagar-Rs.55,202/-.

(viii) PDP No.5600 ETO, Lodhran-Rs.53,870/-.

(ix) PDP No.5211 ETO Zone-III, Gujranwala-Rs.42,383/-.

The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of audit, the **Committee settled all the above items of the para.**

**10. Para No.1.10 Pages 19 & 20 of Audit Report for the year 1998-99; Short-realization of property tax due to non-consolidation-Rs.482,484/-.**

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**5.3.2004** Audit had pointed out that in contravention of rules, the annual values of properties owned by certain assesseees had not been aggregated by the departmental authorities, thus causing under assessment of property tax and consequently resulting into short realization of Govt. revenue.

(i) PDP No.5181 ETO Zone-I, Lahore-Rs.60,699/-.

(ii) PDP No.5232 ETO Zone-IV, Lahore-Rs.51,670/-.

(iii) PDP No.4195 ETO Zone-VI, Lahore-Rs.32,752/-.

(iv) PDP No.4935 ETO Zone-XI, Lahore-Rs.125,711/-.

(v) PDP No.5194 ETO Zone-XII, Lahore-Rs.29,047/-.

(vi) PDP No.5197 ETO-I, Gujranwala-Rs.44,620/-.

(vii) PDP Nos.5204 & 5213 ETO-III, Gujranwala-Rs.72,105/-.

(viii) PDP No.5065 ETO-I, Multan-Rs.7,305/-.

(ix) PDP No.5065 ETO-II, Multan-Rs.1,938/-.

(x) PDP No.5065 ETO-III, Multan-Rs.32,015/-.

(xi) PDP No.5162 ETO-I, Faisalabad-Rs.21,760/-.

(xii) PDP No.5503 ETO, Sheikhupura-Rs.32,513/-.

The Department explained that the entire amount had been recovered.

On the recommendation of audit, the **Committee settled all the above items of the para.**

**11. Para No.1.11 Pages 20 & 21 of Audit Report for the year 1998-99; Short-realization of property tax due to not incorporating 25 percent mandatory increase in annual rental value-Rs.391,010/-.**

**5.3.2004** Audit had pointed out short realization of property tax on self occupied properties due to not incorporating 25% mandatory increase in annual rental value.

(i) PDP No.5189 ETO Zone-III, Lahore-Rs.212,236/-.

(ii) PDP No.5178 ETO-I, Gujranwala-Rs.117,179/-.

(iii) PDP No.5205 ETO-II, Gujranwala-Rs.21,374/-.

(iv) PDP No.5212 ETO-III, Gujranwala-Rs.40,221/-.

The Department explained that the entire amount had been recovered.

On the recommendation of audit, the **Committee settled all the above items of the para.**

**12. Para No.1.12 Pages 21 & 22 of Audit Report for the year 1998-99; Short-realization of property tax due to short-carrying forward of annual values-Rs.355,673/-.**

**5.3.2004** Audit had pointed out that while carrying forward particulars of taxable property units from property registers (PT-I) to Tax Demand and Receipt Registers (PT-8), the annual rental value of certain property units was taken less than the actual ones which resulted in short realization of Govt. Revenue.

(i) PDP No.5183 ETO Zone-I, Lahore-Rs.46,681/-.

(ii) PDP No.4862 ETO Zone-VII, Lahore-Rs.70,190/-.

(iii) PDP No.5360 ETO, Kasur-Rs.32,184/-.

(iv) PDP No.5064 ETO Zone-III, Multan-Rs.42,430/-.

(v) PDP No.5380 ETO, Sahiwal-Rs.30,331/-.

**5.3.2004** The Department explained that the entire amount had been recovered.

On recommendation of Audit, the **Committee settled the items from Sr. (i) to (v).**

(vi) PDP No.5587 ETO, Bahawalnagar-Rs.52,922/-.

**5.3.2004** The Department explained that an amount of Rs.15,632/- had been recovered and verified by audit. The remaining amount of Rs.37,290/-had also been recovered.

The Committee conditionally settled the item, subject to verification of balance recovery.

**2.9.2004** The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of audit, the **Committee settled the para.**

(vii) PDP No.4832 ETO, Bahawalpur-Rs.111,416/-.

**5.3.2004** The Department explained that this para did not fall in the category of present heading, because it dealt with extended area of 20000/- Sqft. It was further stated that the Department could not realize property tax from pocket areas as declared not within the urban areas by the Supreme Court of Pakistan.

The Committee conditionally settled the item subject to verification of relevant record by audit in view of Supreme Court's decision as mentioned by the Department.

**2.9.2004** Audit had pointed out that the entire amount had been recovered, however, a sum of Rs.77,450/- was not due.

Committee conditionally settled the item subject to verification of departmental contention by audit.

**10.2.2005** The Audit explained that the department could not justify their contention with evidence.

The Committee directed that the Department should justify their contention with facts



and figures.

The para was kept pending.

**13. Para No.1.13 Pages 22 & 23 of Audit Report for the year 1998-99; Short-realization of property tax due to non issuance of demand notices-Rs.328,937/-.**

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**5.3.2004** Audit had pointed out that in contravention of rules, Demand Notices of property tax were not issued to certain assesseees to pay tax on the annual value of buildings and lands in the rating area.

(i) PDP No.4723 ETO-I, Multan-Rs.39,266/-.

**5.3.2004** The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of Audit the **Committee settled the item.**

(ii) PDP No.4858 ETO-VI, Lahore-Rs.289,671/-.

**5.3.2004** The Department explained that recovery was outstanding against property units of PCSIR, National Bank of Pakistan, Cricket Board and Arts Council. Efforts were being made for the realization of recovery.

The Committee kept the item pending and directed the department to effect recovery within 3 months.

**2.9.2004** The Department explained that recoveries of Rs.95,998/- and Rs.95,236/- pertained to Art Council and PCSIR respectively which being Government owned properties, were exempt from payment of tax. The remaining balance of Rs.98,437/- was outstanding against Pakistan Cricket Board whose appeal for grant of exemption was pending with the Department.

Audit had certain reservations about the status of PCSIR. The committee directed the department to effect balance recovery and satisfy the audit about the status of PCSIR.

The para was kept pending.

**10.2.2005** The department explained that reasonable amount was due from PCB and case was sub-judice.

The para was kept pending being sub-judice.

**14. Para No.1.14 Pages 23 & 24 of Audit Report for the year 1998-99; Short-realization of property tax due to application of incorrect rate-Rs.184,612/-.**

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**5.3.2004** Audit had pointed out that the department failed to apply enhanced rate of tax @ 25% instead of 20%, where Annual Rental Value of a property unit exceeded Rs.20,000/- which resulted in short realization of Govt. revenue.

- (i) PDP No.5301 ETO-VI, Lahore-Rs.167,400/-.

The Department explained that amount was not actually due and that it had been wrongly pointed out by audit.

On the recommendation of audit, the **Committee settled the item.**

- (ii) PDP No.5369 ETO, Okara-Rs.17,212/-.

The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of the audit, the **Committee settled the item.**

**15. Para No.1.15 Page 24 of Audit Report for the year 1998-99; Non-realization of property tax due to not raising the demand even after expiry of three years tax holiday-Rs.54,772/-.**

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**5.3.2004** Audit had pointed out that the department failed to demand/recover property tax from the owners of certain properties even after expiry of the exemption period of finish 3 years.

- (i) PDP No.5309 ETO Zone-VIII, Lahore-Rs.34,425/-.
- (ii) PDP No.5045 ETO Zone-I, Multan-Rs.20,347/-.

The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of the audit, the **Committee settled both the items of the para.**

**16. Para No.1.16 Page 25 of Audit Report for the year 1998-99; Non-realization of property tax on luxury houses-Rs.1,206,600/-.**

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- (i) PDP No.5294 ETO Zone-V, Lahore-Rs.722,750/-.
- (ii) PDP No.5297 ETO Zone-VI, Lahore-Rs.83,850/-.
- (iii) PDP No.5304 ETO Zone-VII, Lahore-Rs.100,000/-.

**5.3.2004** The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of the audit, the **Committee settled the items from Sr. (i) to (iii).**

- (iv) PDP No.5054 ETO Zone-III, Multan-Rs.300,000/-.

**5.3.2004** The Department explained that amount was not due, because properties involved were assessed before 1990 when the said law was not applicable which became effective in 1997.

The Committee conditionally settled the item subject to verification of record by the audit.

**2.9.2004** The Department explained that the amount of Rs.300,000/- was not due as the properties involved were assessed before 1990 and not in 1995-96.

The audit verified Departmental contention in the meeting.

The **para was settled.**

**17. Para No.1.17 Pages 26 & 27 of Audit Report for the year 1998-99; Non-realization of token tax-Rs.2,131,835/-.**

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**5.3.2004** Audit had pointed out non realization of token tax payable by owners of vehicles.

- (i) PDP No.5203 ETO-II, Gujranwala-Rs.63,068/-.

**5.3.2004** The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of audit, the **Committee settled the item.**

- (ii) PDP No.4884 ETO, Sialkot-Rs.83,430/-.

**5.3.2004** The Department explained that an amount of Rs.61,003/- had been recovered and verified by audit. The balance recovery had also been effected.

The Committee settled the item subject to verification of balance recovery by audit.

**2.9.2004** The Department explained that the entire amount had been recovered and verified by Audit.

On recommendation of audit, the **Committee settled the item.**

(iii) PDP No.5224 ETO, Hafizabad-Rs.70,959/-.

**5.3.2004** The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of audit, the **Committee settled the item.**

(iv) PDP No.5497 ETO, Sheikhupura-Rs.206,520/-.

**5.3.2004** The Department explained that an amount of Rs.160,692/- had been recovered and Rs.7,540/- was not due.

The Committee kept the item pending for balance recovery.

**2.9.2004** The Department explained that the entire amount had been recovered and verified by Audit.

On recommendation of audit, the **Committee settled the item.**

(v) PDP No.5158 ETO-I, Faisalabad-Rs.256,046/-.

**5.3.2004** The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of audit, the **Committee settled the item.**

(vi) PDP No.5311 ETO, Sargodha-Rs.138,022/-.

**5.3.2004** The Department explained that the item had been settled in the meeting of SDAC held on 27.4.2002.

The Committee settled the item subject to verification of relevant record by audit.

**2.9.2004**  
by Audit.

The Department explained that the entire amount had been recovered and verified

On recommendation of audit, the **Committee settled the item.**

(vii) PDP No.4948 ETO, Jhang-Rs.133,166/-.

**5.3.2004**  
on 29-9-1999.

The Department explained that the item had been settled in SDAC meeting held

The Committee settled the item subject to verification of relevant record by audit.

**2.9.2004**  
by Audit.

The Department explained that the entire amount had been recovered and verified

On recommendation of audit, the **Committee settled the item.**

(viii) PDP No.5342 ETO, Mianwali-Rs.224,408/-.

**5.3.2004** The Department explained that an amount of Rs.92,098/- had been recovered and verified by audit. An amount of Rs.34,000/- had further been recovered. Moreover, an amount of Rs.13,776/- was not due.

The Committee kept the item pending for balance recovery.

**2.9.2004**  
by Audit.

The Department explained that the entire amount had been recovered and verified

On recommendation of audit, the **Committee settled the item.**

(ix) PDP No.5331 ETO, Khushab-Rs.37,365/-.

**5.3.2004**  
by audit.

The Department explained that the entire amount had been recovered and verified

On the recommendation of Audit, the **Committee settled the item.**

(x) PDP No.5383 ETO, Sahiwal-Rs.236,136/-.

**5.3.2004**

The Department explained that an amount of Rs.92,858/- had been recovered and

verified by audit.

The Committee kept the item pending for balance recovery with the direction to effect the same at the earliest.

**2.9.2004** The Department explained that the entire amount had been recovered and verified by Audit.

On recommendation of audit, the **Committee settled the item.**

(xi) PDP No.5374 ETO, Okara-Rs.211,998/-.

**5.3.2004** The item was kept pending with the direction that Department should effect balance recovery at the earliest.

**2.9.2004** The Department explained that the entire amount had been recovered and verified by Audit.

On recommendation of audit, the **Committee settled the item.**

(xii) PDP No.5362 ETO, Kasur-Rs.193,170/-.

**5.3.2004** The item was kept pending with the direction that Department should effect balance recovery at the earliest.

**2.9.2004** The Department explained that the entire amount had been recovered and verified by Audit.

On recommendation of audit, **the Committee settled the item.**

(xiii) PDP No.5276 ETO, Vehari-Rs.91,785/-.

(xiv) PDP No.5252 ETO, Khanewal-Rs.51,067/-.

(xv) PDP No.5597 ETO, Lodhran-Rs.28,520/-.

(xvi) PDP No.5238 ETO, Rahim Yar Khan-Rs.29,064/-.

(xvii) PDP No.5583 ETO, Bahawalnagar-Rs.150,797/-.

**5.3.2004** The Department explained that the entire amount had been recovered and verified by audit. The **Committee settled the items from Sr. No.(xiii) to (xvii).**

### **Direction of the Committee**

The Committee with reference to the balance recovery in respect of token tax directed that the Department should launch a campaign to recover token tax from defaulting vehicle owners and also to write to DG Post Offices with the request to provide monthly scroll of the tax deposited in Post Offices to E&T Department and also to produce list of defaulters not depositing token tax.

### **18. Para No.1.18 Pages 27 & 28 of Audit Report for the year 1998-99; Non-realization of tax on luxury vehicles-Rs.28,725,000/-.**

**5.3.2004** Audit had pointed out non realization of tax on luxury vehicles.

(i) PDP No.5053 ETO-III, Multan-Rs.4,900,000/-.

**5.3.2004** Audit had pointed out that inspite of lapse of 5 years, Rs.3,600,000/- was still outstanding.

The Department explained that out of Rs.3,600,000/-, a sum of Rs.2,500,000/- had been miscalculated by audit which was not due, thus leaving a balance of Rs.11 lac out of which a amount of Rs.2 lac had further been recovered. The case for balance amount was pending in the Court of Law which had granted stay in favour of appellant against recovery and the department had also moved application for vacation of stay.

The Committee kept the item pending being subjudice.

**2.9.2004** The Department explained that efforts were being made to recover the outstanding amount involved in the aforesaid PDP.

The Committee kept the item pending and directed the Department to pursue recovery matter. The Committee further directed that details of non-realization of tax on luxury vehicles with necessary particulars be furnished to PAC.

**10.2.2005** The department explained that efforts were being made to recover the balance amount.



The department was directed to expedite recovery and para was kept pending.

(ii) PDP No.5215 ETO, Mandi Bahau-ud-Din-Rs.300,000/-.

(iii) PDP No.5341 ETO, Mianwali-Rs.500,000/-.

**5.3.2004** The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of the audit, the **Committee settled the items.**

(iv) PDP No.5385 ETO, Sahiwal-Rs.500,000/-.

**5.3.2004** The Department explained that an amount of Rs.300,000/- had been recovered and verified by audit.

The Committee kept the para pending and directed the Department to recover the balance amount within 6 months..

**2.9.2004** The Department explained that efforts were being made to recover the outstanding amount involved in the aforesaid PDP.

The Committee kept the item pending and directed the Department to pursue recovery matter. The Committee further directed that details of non-realization of tax on luxury vehicles with necessary particulars be furnished to PAC.

**10.2.2005** The department explained that efforts were being made to recover the balance amount.

The department was directed to expedite recovery and **para was kept pending.**

(v) PDP No.5375 ETO, Okara-Rs.800,000/-.

**5.3.2004** The Department explained that an amount of Rs.200,000/- had been recovered and verified by audit.

The Committee kept the para pending and directed the Department to recover the balance amount within six months.

**2.9.2004** The Department explained that efforts were being made to recover the outstanding amount involved in the aforesaid PDP.

The Committee kept the item pending and directed the Department to pursue recovery matter. The Committee further directed that details of non-realization of tax on luxury vehicles with necessary particulars be furnished to PAC.

**10.2.2005** The department explained that efforts were being made to recover the balance amount.

The department was directed to expedite recovery and **para was kept pending.**

(vi) PDP No.5201 ETO, Gujranwala-Rs.300,000/-.

(vii) PDP No.5222 ETO, Hafizabad-Rs.300,000/-.

(viii) PDP No.5599 ETO, Lodhran-Rs.1,200,000/-.

**5.3.2004** The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of the audit, the **Committee settled the items.**

(ix) PDP No.5499 ETO, Sheikhpura-Rs.150,000/-.

**5.3.2004** The Committee kept the items pending for effecting recovery at the earliest.

**2.9.2004** The Department explained that efforts were being made to recover the outstanding amount involved in the aforesaid PDP.

The Committee kept the item pending and directed the Department to pursue recovery matter. The Committee further directed that details of non-realization of tax on luxury vehicles with necessary particulars be furnished to PAC.

**10.2.2005** The department explained that efforts were being made to recover the balance amount.

The department was directed to expedite recovery and **para was kept pending.**

(x) PDP No.5582 ETO, Bahawalnagar-600,000/-.

**5.3.2004** The Committee kept the items pending for effecting recovery at the earliest.

**2.9.2004** The Department explained that efforts were being made to recover the outstanding

amount involved in the aforesaid PDP.

The Committee kept the item pending and directed the Department to pursue recovery matter. The Committee further directed that details of non-realization of tax on luxury vehicles with necessary particulars be furnished to PAC.

**10.2.2005** The department explained that efforts were being made to recover the balance amount.

The department was directed to expedite recovery and **para was kept pending.**

(xi) PDP No.5235 & 5236 ETO, (Tie Up), Lahore-Rs.19,675,000/-.

**5.3.2004** The Department explained that an amount of Rs. 5,750,000/- had been recovered and verified by the audit.

The Committee kept the para pending and directed the Department to effect balance recovery at the earliest.

**2.9.2004** The Department explained that efforts were being made to recover the outstanding amount involved in the aforesaid PDP.

The Committee kept the item pending and directed the Department to pursue recovery matter. The Committee further directed that details of non-realization of tax on luxury vehicles with necessary particulars be furnished to PAC.

**10.2.2005** The department explained that efforts were being made to recover the balance amount.

The department was directed to expedite recovery and **para was kept pending.**

### **Direction of the Committee**

**5.3.2004** The Committee appreciated the recovery efforts of the Department. However, it directed that due notice of display of number plates on vehicles in violation of standard registration marks be taken for appropriate corrective measures. The Committee further directed that list/details of defaulters of tax in respect of luxury vehicles with amount of tax due be forwarded to PAC by 13.3.2004.

**19. Para No.1.19 Pages 28 & 29 of Audit Report for the year 1998-99; Non-realization of still-head duty on liquor imported from Quetta Distillery, Quetta-Rs.14,479,000/-.**

**5.3.2004** Audit had pointed out that certain consignments of liquor were imported in the Punjab from Quetta Distillery, Baluchistan and its still head duty (tax) was deposited at Quetta. The Govt. of the Punjab was required to demand and recover this duty from the Govt. of Baluchistan. But the Punjab Excise & Taxation department neither demanded nor recovered this amount up to 1997-98. Resultantly, huge amount of Rs.14,479,000 remained un-leased.

- (i) PDP No.4975 ETO-Excise, Lahore-Rs.9,744,000/-.
- (ii) PDP No.5234 ETO-Excise, Lahore-Rs.4,200,000/-.
- (iii) PDP No.5167 ETO-III, Faisalabad-Rs.535,000/-.

**5.3.2004** The Department explained that notwithstanding the amount involved in these paras, an amount to the tune of Rs.62 Million was due from Baluchistan Government.

The Govt. Adjuster/Joint Secretary (Budget), Govt. of Pakistan, Finance Division, Islamabad had been requested to make at source deduction against Govt. of Baluchistan.

The Committee kept pending all the items of the para till recovery.

**2.9.2004** The Department explained that the entire amount had been recovered from Government of Baluchistan through Government adjuster and a copy of the same had been provided to audit for verification.

In view of the explanation tendered by the Department, **items (i) to (ii) were settled.** The Committee appreciated the efforts made by the Department in effecting the long outstanding recovery.

**20. Para No.1.20 Pages 29 & 30 of Audit Report for the year 1998-99; Likely misappropriation due to not depositing the collected amount into Government treasury-Rs.120,000/-.**

- (i) PDP No.5358 ETO, Kasur-Rs.120,000/-.

**5.3.2004** The Department explained that entire amount on account of sale of opium tablets had been deposited into Govt. exchequer. Audit verified departmental contention.

On the recommendation of audit, the **Committee settled the para.**  
**21. Para No.1.21 Pages 30 & 31 of Audit Report for the year 1998-99;**  
**Non-realization of education cess-Rs.1,585,299/-.**

- (i) PDP No.4220 ETO Zone-III, Lahore-Rs.647,699/-.
- (ii) PDP Nos.4967 & 4986 ETO Zone-V, Lahore-Rs.647,600/-.
- (iii) PDP No.4848 ETO, Sheikhupura-Rs.40,350/-.
- (iv) PDP No.9747 ETO, Gujranwala-Rs.27,425/-.
- (v) PDP No.5179 ETO Zone-I, Gujranwala-Rs.61,975/-.
- (vi) PDP No.5500 ETO, Sheikhupura-Rs.131,800/-.
- (vii) PDP No.5328 ETO, Khushab-Rs.78,450/-.

**5.3.2004** The Department explained that the matter pertaining to “education cess” stood transferred to Labour Department since 2001 and the relevant record had also been transferred to them. The recovery of the amount involved in para 1.21/PDPs was to be effected by the said Department.

Finance Department observed that Labour Department/Social Security were required to explain the latest position in this regard.

The Committee directed that para 1.21/PDPs should be transferred to Labour Department for explaining upto date position in respect thereof in its next meeting to be held on 13.3.2004. The Secretary Labour attended the meeting on 13.3.2004 and requested the Committee to allow some time to explain the position about these paras as the relevant record had recently been received from E&T Department.

The Committee kept para 1.21/PDPs pending; however, PDP No.5328 was settled as the entire amount had been recovered and verified by audit.

**22. Para No.1.22 Pages 31 & 32 of Audit Report for the year 1998-99;**  
**Non-realization of cotton fee/penalty-Rs.780,497/-.**

**5.3.2004** Audit had pointed out non-realization of Cotton fee/penalty from certain Ginning factories.

- (i) PDP No.5584 ETO, Bahawalnagar-Rs.115,455/-.

**5.3.2004** The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of audit, the **Committee settled the para.**

- (ii) PDP No.4826 ETO, Bahawalpur-Rs.582,401/-.

**5.3.2004** The Department explained that an amount of Rs.315,521/- had been recovered, whereas an amount of Rs.71,424/- was not due.

The Committee kept the item pending till recovery within six months and verification of amount already recovered by audit.

**2.9.2004** The Department explained that efforts were being made to recover the balance amount.

The item was kept pending for effecting balance recovery.

**10.2.2005** The department explained that FIR had been lodged with Police against Cheema Cotton Factory, Bahawalpur on account of dishonored cheque.

The **para was settled subject to balance recovery and its verification by Audit.**

- (iii) PDP No.4722 ETO, Multan-Rs.165,282/-.

**5.3.2004** The Department explained that the item had been settled in the meeting of SDAC held on 13-7-2002.

The Committee conditionally settled the item subject to verification of record by audit.

**2.9.2004** The Department explained that entire amount had been recovered and verified by audit.

On recommendation of audit, **the item was settled.**

**23. Para No.1.23 Pages 32 & 33 of Audit Report for the year 1998-99;  
Non-realization of video trade tax-Rs.683,500/-.**

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**5.3.2004** Audit had pointed out non-realization of Video Trade Tax from various Video Cassette traders.

(i) PDP Nos.4945 & 5312 ETO, Sargodha-Rs.88,000/-.

**5.3.2004** The Department explained that the item had been settled in the meeting of SDAC held on 27-4-2002.

The Committee conditionally settled the item subject to verification of record by audit.

**2.9.2004** The Department explained that the entire amount had been recovered and verified by audit.

On recommendation of audit, **item was settled.**

(ii) PDP No.4796 ETO-II, Gujranwala-Rs.95,000/-.

(iii) PDP No.4912 ETO, Gujrat-Rs.50,000/-.

(iv) PDP No.5357 ETO, Kasur-Rs.69,000/-.

(v) PDP No.5370 ETO, Okara-Rs.20,500/-.

(vi) PDP No.5343 ETO, Mianwali-Rs.20,000/-.

(vii) PDP No.5330 ETO, Khushab-Rs.15,000/-.

**5.3.2004** The Department explained that the entire amount had been recovered and verified by audit.

On the recommendation of Audit, the **Committee settled the items from Sr No. (ii to vii).**

(viii) PDP No.5501 ETO, Sheikhpura-Rs.41,000/-.

**5.3.2004** The Department explained that the amount could not be recovered because most of



the owners of Video Shops were not readily available. Efforts were being made to trace the owners and recover the amount.

The Committee kept the para pending with the direction that Department should recover the amount and if it was of the view that some amount was not recoverable, then it should take such action as deemed appropriate.

**2.9.2004** The Department explained that difficulties were being faced in tracing the concerned video traders who due to change of business etc had left their premises. However, efforts were being made to effect the balance recovery.

The item was kept pending.

**10.2.2005** The department explained that entire amount had been recovered and verified by the Audit.

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

(ix) PDP No.5586 ETO, Bahawalnagar-Rs.26,000/-.

**5.3.2004** The Department explained that Rs.20,000/- had been recovered and verified by audit, whereas the balance amount had also been recovered.

The Committee conditionally settled the item subject to verification of recovery by audit.

**2.9.2004** The Department explained that the entire amount had been recovered and verified by audit.

On recommendation of audit, **item was settled.**

(x) PDP No.4830 ETO, Bahawalpur-Rs.259,000/-.

**5.3.2004** The Department explained that the amount was not recoverable because the owners of the Video Shops were not readily available. Efforts were being made to trace the owners and recover the amount involved in the para.

The Committee kept the para pending for recovery within six months with the direction that if Department was of the view that the amount was not recoverable, then it should take such action as deemed appropriate.

**2.9.2004** The Department explained that difficulties were being faced in tracing the concerned video traders who due to change of business etc had left their premises. However,

efforts were being made to effect the balance recovery.

The item was kept pending.

**10.2.2005** The department explained that shops were not available, therefore, the demand had been deleted by the competent authority. Hence tax was not due.

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

**24.            Para No.1.24 Pages 33 & 34 of Audit Report for the year 1998-99; Non-realization of hotel tax-Rs.239,339/-.**

**5.3.2004**        Audit had pointed out non-realization of Hotel Tax/bed tax from Multan Development authority for running a guest House named “MDA Lodges” on commercial basis.

(i)        PDP No.5055 ETO-III, Multan-Rs.239,339/-.

The department explained that efforts were being made to recover the amount.

The Committee kept the para pending for recovery within six months.

**2.9.2004**        The Department explained that the matter was sub-judice in the court.

The Committee kept the item pending and directed the department to pursue the case in the court.

**10.2.2005**        The department explained that amount was outstanding against Guest House of MDA, Multan and the matter was under adjudication in court.

The **para was kept pending being sub-judice.**

**25.            Para No.1.25 Page 34 of Audit Report for the year 1998-99; Non-realization of entertainment duty-Rs.29,526/-.**

PDP No.5279 ETO, Vehari-Rs.29,526/-.

**5.3.2004**        The Department explained that entire amount had been recovered and verified by audit. The **Committee settled the para.**

## **Audit Paras (Commercial) for the year 1998-99**

**26. Para No.3(x) Pages 5 & 6 of Audit Report for the year 1998-99;  
Government Opium and Alkaloid Factory, Lahore.**

**4.3.2004** The Audit pointed out that the accounts of the department for the year 1993-94 to 2000-2001 were received late and printed in ARPSE 2001-2002.

The **Committee settled the para with the direction that the department should submit its accounts to Audit well in time.**

The Committee examined the Accounts of the Finance Department in its meeting held on 6.3.2004 & 3.3.2005 and made the following recommendations:-

### **Audit Paras (Civil) for the year 1998-99**

**6.3.2004** Finance Secretary requested the Committee to pend consideration of Finance Department's draft paras contained in audit report 1998-99 as both the DAOs and administrative departments concerned were involved and the latter were also liable to answer these paras and explain their position because grants were allocated to and operated by them. He stated that after coordinating and resolving the matters with them the Finance Department would come back to PAC.

Mr. Rab Nawaz, DS (Monitoring) Finance Department informed the Committee that under the provision of Budget Manual, the Administrative head of the Department concerned was required to explain position to PAC and DG Audit should refer such paras to the Administrative Department concerned instead of Finance Department which should coordinate with them.

The Committee **kept the paras pending** with the direction that Finance Department should hold meetings with the Administrative Department's concerned and the audit and should come back to PAC to report compliance of audit observations in the light of feed-back taken from the Department's concerned.

#### **1. Para No.1 Page 10 of Audit Report for the year 1998-99; Embezzlement of Rs.31,455/-.**

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**3.3.2005** The Department explained that after necessary verification it had been established that no overpayment was made to the retired constable and the record has been verified by Audit.

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

#### **2. Para No.2 Pages 10 & 11 of Audit Report for the year 1998-99; Embezzlement of Rs.960,508/- by Deputy Director Semen Production Unit Karaniwala Bahawalpur.**

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**3.3.2005** The Department explained that since the accused had not been arrested, therefore, recovery was yet to be made. However, the case in the court of special Judge Anticorruption, Bahawalpur was being pursued vigorously.

The Department was directed to pursue the case in the court and **para was kept pending.**

**3. Para No.3 Page 11 of Audit Report for the year 1998-99; Fraudulent Drawal of Rs.583,558/- out of General Provident Fund.**

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**3.3.2005** The Department explained that the criminal case against the accused was still pending in the court of Special Judge Anticorruption, Rawalpindi.

The Department was directed to pursue case in the court and **para was kept pending.**

**4. Para No.4 Page 13 of Audit Report for the year 1998-99; Irregular Expenditure on Appointment of Contingent Paid Staff for Rs.264,537/-.**

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**3.3.2005** The Department explained that expenditure had been regularized by the Finance Department.

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

**5. Para No.5 Pages 13 & 14 of Audit Report for the year 1998-99; Irregular Payment of Salaries of Rs.5,946,048/- To Security Guards From Wrong Head.**

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**3.3.2005** The Department explained that ex-post facto sanction had been accorded by the Finance Department.

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

**6. Para No.6 Page 14 of Audit Report for the year 1998-99; Payment in Excess Budgetary Allocation for Rs.5,484,704/-.**

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**3.3.2005** The Department explained that the excess payment was only 0.084% of the total budget, which was within the permissible limit.

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

**7. Para No.7 Page 14 of Audit Report for the year 1998-99; Expenditure Beyond Competency for Rs.1,953,101/-.**

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**3.3.2005** The Department explained that all the claim submitted by the DDO were duly sanctioned by the competent authority and payments were released accordingly.

The Department was directed to get the record verified by Audit at the earliest and **para was kept pending.**

**8. Para No.8 Page 15 of Audit Report for the year 1998-99; Irregular Payment of Salaries to English Teachers Without Any Post in Middle Schools for Rs.205,560/-.**

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**3.3.2005** The Department explained that the requisite record had been verified by Audit.

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

**9. Para No.9 Page 15 of Audit Report for the year 1998-99; Illegal Withdrawal of Oxygen Gas Charges out of Irrelevant Object for Sui Gas Worth-Rs.123,148/-.**

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**3.3.2005** The Department explained in the meeting that expenditure had been regularized by the Finance Department.

The explanation of the Department was accepted and the **para was settled subject to verification of record by Audit.**

**10. Para No.10 Page 16 of Audit Report for the year 1998-99; Irregular Payments of Rs.2,369,813/- Without Supporting Vouchers.**

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**3.3.2005** The Department explained that deductions of Income Tax were made and the supporting vouchers/invoices had been collected from the Department and same could be verified.

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

**11. Para No.11 Page 16 of Audit Report for the year 1998-99; Un-justified Payment of TA/DA Amounting to Rs.46,953/- Without Any Purpose of Journey.**

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**3.3.2005** The Department explained that departmental contention had been verified by Audit from the supporting record.

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

**12. Para No.12 Pages 16 & 17 of Audit Report for the year 1998-99; Unlawful Payment of Salaries Without Sanction of Posts to the Tune of Rs.472,682/-.**

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**3.3.2005** The Department explained that departmental contention had been verified by Audit from the supporting record.

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

**13. Para No.13 Page 17 of Audit Report for the year 1998-99; Irregular & Unauthorized Payments to the Tune of Rs.252,096/-.**

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**3.3.2005** The Department explained that departmental contention had been verified by Audit from the supporting record.

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

**14. Para No.14 Pages 17 & 18 of Audit Report for the year 1998-99; Re-Appropriation of Funds Beyond Competency Amounting to Rs.170,000/-.**

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**3.3.2005** The Department explained that expenditure had been regularized by the Finance Department.

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

**15. Para No.15 Page 18 of Audit Report for the year 1998-99; Irregular Payment to Part Time Employees Amounting to Rs.24,800/-.**

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**3.3.2005** The Department explained that facts had been verified by the Audit.

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

**16. Para No.16 Pages 18 & 19 of Audit Report for the year 1998-99; Loss of Rs.17,062,600/- Due to Destruction/Non Availability of G.P.F. Record.**

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**3.3.2005** The Department explained that the GPF accounts had been completed upto 6/2004 and also conveyed to the A.G. Punjab.

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



**17. Para No.17 Page 19 of Audit Report for the year 1998-99; Drawal of Rs.291,023/- As TA/DA Over and Above the Budget Allocation.**

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**3.3.2005** The Department explained that balance recovery of Rs.23,100/- had been verified by audit.

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

**18. Para No.18 Page 21 of Audit Report for the year 1998-99; Non-Recovery of Interest of Rs.284,187/- on Account of House Building Advance.**

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**3.3.2005** The Department explained that complete recovery had been effected.

The explanation of the Department was accepted and **para was settled subject to verification of relevant record by Audit.**

**19. Para No.19 Page 21 of Audit Report for the year 1998-99; Non-Recovery of Electricity Charges Amounting to Rs.439,000/-.**

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**3.3.2005** The Department explained that recovery of Rs.1500/-had been effected and verified by Audit. Efforts were being made to recover the balance amount.

The Department was directed to effect balance recovery at the earliest and **para was kept pending.**

**20. Para No.20 Page 22 of Audit Report for the year 1998-99; Recovery of Unlawful Payment of Rs.106,980/- on Account of washing & Dress Allowance.**

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**3.3.2005** The Department explained that departmental contention had been verified by Audit from the supporting record.

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

**21. Para No.21 Page 22 of Audit Report for the year 1998-99; Recovery of Rs.195,232/- Due to Non-Recovery/Adjustment of Overpaid T.A. Advance.**

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**3.3.2005** The Department stated that contention of the Department was accepted by the Audit.

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

**22. Para No.22 Pages 22 & 23 of Audit Report for the year 1998-99; Non/**

### **Less Deduction of Income Tax at Source Amounting to Rs.168,441/-.**

**3.3.2005** The Department explained that a sum of Rs.28,751/- out of recoverable amount of Rs.168,441/- had been recovered.

The Department was directed to effect balance recovery at the earliest and **para** was kept pending.

### **23. Para No.23 Page 23 of Audit Report for the year 1998-99; Un-Due Payment of Evening Shift Allowance During Summer Vacation Amounting to Rs.31,185/-.**

**3.3.2005** The Department explained that the complete recovery had been effected and verified by Audit.

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

### **24. Para No.24 Pages 23 & 24 of Audit Report for the year 1998-99; Fictitious T.A. Drawal of Poultry Production Officer Gujrat Amounting to Rs.46,470/-.**

**3.3.2005** The Department explained that departmental contention had been verified by Audit from the supporting record.

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

### **25. Para No.25 Page 24 of Audit Report for the year 1998-99; Irregular Payment of Commutation for Rs.357,184/-.**

**3.3.2005** The Department explained that recovery of Rs.64,400/- had been effected from Mr. Muhammad Iqbal Constable. Moreover, recovery of Rs.84,058/- had also been effected from Mr Khan Muhammad. Efforts were being made to recover the balance amount.

The **para** was settled subject to balance recovery and its verification by the Audit.

**26. Para No.26 Page 24 of Audit Report for the year 1998-99; Irregular Payment of Rs.189,640/- to Police Department.**

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**3.3.2005** The Department explained that departmental contention had been verified by Audit from the supporting record.

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

**27. Para No.27 Page 25 of Audit Report for the year 1998-99; Irregular Payment of House Rent Allowance Amounting to Rs.81,754/-.**

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**3.3.2005** The Department explained that the balance recovery was due from the officer who had been transferred and posted in Balouchistan Province. The recovery from the officer was recorded in his LPC which was sent to the AG Balouchistan.

The Department was directed to approach the AG Balouchistan for effecting the recovery from the salary of the officer and **para was kept pending.**

**28. Para No.28 Page 25 of Audit Report for the year 1998-99; Non-Deduction of Rs.73,439/- As 5% House Rent.**

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**3.3.2005** The Department explained that EDO (Health) had been approached to furnish the letter of rent free accommodation.

The Department was directed to produce authority in support of resident appointment and **para was kept pending.**

**29. Para No.29 Page 27 of Audit Report for the year 1998-99; Overpayment of Rs.51,461/- and Recovery Thereof.**

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**3.3.2005** The Department explained that balance recovery of Rs.13,744/- had been effected and verified by Audit.

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

**30. Para No.30 Page 27 of Audit Report for the year 1998-99; Excess Payment of Rs.190,659/- on Account of Undue Annual Increment.**

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**3.3.2005** The Department explained that recovery of advance increments from Ch. Abdul Samad Asghar ,SDO had been declared illegal and unlawful by Lahore High Court, Bahawalpur Bench. The contention of the Department was tenable and had been verified from the judgment / order sheet.

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

**31. Para No.31 Pages 27 & 28 of Audit Report for the year 1998-99; Excess Payment of Rs.53,574/- on Account of Pension.**

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**3.3.2005** The Department explained that balance recovery of Rs.6551/-against Mst. Elahi Sain was not possible as she had expired on 1-4-2001.

The Department was directed to get the amount written off from competent authority and **para was settled subject to write off sanction**.

**32. Para No.32 Page 28 of Audit Report for the year 1998-99; Excess Payment of Interest Amounting to Rs.15,950/- on G.P.Fund Final Payments.**

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**3.3.2005** The Department explained that the overpayment of Rs.15,930/- on account of GP fund had been recovered from the pensioner through his PPO by transferred credit to GP fund and the same had been verified by Audit.

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

**33. Para No.33 Page 28 of Audit Report for the year 1998-99; Recovery of Rs.11,380/- on Account of Encashment of LPR.**

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**3.3.2005** The Department explained that balance recovery of Rs.657/- had already been effected and verified by Audit.

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

**34. Para No.34 Page 29 of Audit Report for the year 1998-99; Overpayment of Rs.48,730/- on Account of Irregular Calculation of Special Pay.**

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**3.3.2005** The Department explained that departmental contention had been verified by Audit from the supporting record.

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

**35. Para No.35 Page 29 of Audit Report for the year 1998-99; Irregular Drawal of Salary During E.O.L. Amounting to Rs.57,771/-.**

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**3.3.2005** The Department explained that no overpayment was found made as the unavailed portion of leave was cancelled and same had been verified by Audit.

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

**36. Para No.36 Pages 29 & 30 of Audit Report for the year 1998-99; Overpayment of Rs.706,057/- Due to Wrong Calculation of Pension.**

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**3.3.2005** The Audit had observed that departmental contention was not tenable as the DAO Kasur had misconstrued the provision of Finance Department letter dated 16-07-1985.

The Department was directed to get the case clarified from the concerned section of the Finance Department and **para was kept pending.**

**37. Para No.37 Page 30 of Audit Report for the year 1998-99; Overpayment of Rs.163,165/- on Account of Higher Rate of Commutation.**

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**3.3.2005** The Department explained that recovery of Rs.3,600/-and Rs.12,040/-had been effected from the pensioners. Efforts were being made to effect recovery from the remaining pensioners

The Department was directed to effect recovery at the earliest and **para was settled subject to balance recovery and its verification by Audit.**

The Committee examined the Accounts of the Food Department in its meeting held on 29.7.2002, 9.2.2004, 10.2.2004, 11.2.2004, 1.11.2004 and 2.11.2004 and made the following recommendations:-

### **Audit Paras (Civil) for the year 1998-99**

**1.            Para No.1.1 Pages 7 & 11 of Audit Report for the year 1998-99; Loss of Rs.30,056,179/- due to enroute shortage of wheat.**

District Food Controller, Sheikhpura-Rs.1,738,741/-.

**9.2.2004**        Audit in its latest comments verified that amount involved in the aforesaid para had been recovered out of contingent bill (Railways) and deposited/adjusted into Government account through book transaction.

The Committee on the recommendation of audit **settled the para.**

**2.            Para No.1.2.**

District Food Controller, Sheikhpura-Rs.1,434,237/-.

**9.2.2004**        Audit in its latest comments verified that amount involved in the aforesaid para had been recovered out of contingent bill (Railways) and deposited/adjusted into Government account through book transaction.

The Committee on the recommendation of audit **settled the para.**

**3.            Para No.1.3.**

District Food Controller, Sheikhpura-Rs.72,031/-.

**9.2.2004**        The Department explained that enroute shortage of wheat mentioned in this para had already been included in Draft Para 9.19 (1996-97) of Bahawalpur District which was discussed in Adhoc PAC meeting held on 11 September 2001 and the portion relating to Khanqah Muhammad Pinnah District Bahawalpur to P. R. Centre Panwan District Sheikhpura was finally settled.

The Audit verified the contention of the Department and recommended the para for deletion.

The Committee accordingly **allowed to delete this para.**

**4. Para No.1.4.**

District Food Controller, Sheikhpura-Rs.58,425/-.

**9.2.2004** Audit in its latest comments verified that amount involved in the aforesaid para had been recovered out of contingent bill (Railways) and deposited/adjusted into Government account through book transaction.

The Committee on the recommendation of audit **settled the para.**

**5. Para No.1.5.**

District Food Controller, Gujrat-Rs.647,233/-.

**10.2.2004** The department explained that recoverable amount was Rs.657,922/- instead of Rs.647,232/- which had been recovered and deposited into Government treasury.

The Committee conditionally settled the para subject to verification of record i.e. production of original treasury challans and credit verification of remaining amounts by the Audit.

**1.11.2004** Department stated that the relevant record had been produced for verifications.

The Audit explained that Original Treasury Challan for Rs.4,048/- and Rs.534,246/- had been seen and recommended the para for settlement.

On the recommendation of Audit, Committee decided to **settle the para.**

**6. Para No.1.6.**

District Food Controller, Gujrat-Rs.88,680/-.

**10.2.2004** Audit had pointed out enroute shortage of wheat from one centre to the other.

The Department explained that original record was available for verification by audit.

The Committee conditionally settled the para, subject to verification of record by Audit.

**1.11.2004** The Department stated that after detailed calculations the actual recoverable amount



of the para was Rs.83,680/- instead of Rs.88,680/- Resultantly an amount of Rs.2416/- had already been recovered in excess.

Audit verified the departmental contention and recommended the para for settlement.

The **committee settled the para.**

**7. Para No.1.7.**

District Food Controller, Vehari-Rs.110,134/-.

**9.2.2004** Audit had pointed out that revised recovery rates issued by Director Food Punjab had not been applied which resulted in less recovery from the contractor.

The Department explained that en-route shortage actually took place on 25 September 1996 whereas recovery rates for 1996-97 scheme were issued on 26-3-1997. In the light of letter dated 1st August 1998 issued by Food Directorate, recovery of arrears was not required.

The Audit verified the contention of the Department and the Committee **settled the para.**

**8. Para No.1.8.**

District Food Controller, Vehari-Rs.193,006/-.

**9.2.2004** Audit had pointed out that the department had effected recovery at lesser rates than those fixed by Director Food, Punjab for enroute shortage of wheat.

The Department explained that the recovery rate communicated vide letter dated 18 February 1998 was not applicable, as the loss occurred during the schemes 1994-95, 1995-96, 1996-1997. It was further stated that the entire recovery for en-route shortages had been effected as per prevailing recovery rates of the time and that no delay in adjustment of recovery had taken place.

The Committee was satisfied with the explanation of the Department and **settled the para.**

**9. Para No.1.9.**

District Food Controller, Okara-Rs.163,537/-.

**11.2.2004** Audit had pointed out likely misappropriation of A class bags, tarpaulins and enroute shortage of wheat as complete purchase record of purchase centre “40-D” was not produced with the plea that the same was with Anti Corruption Establishment.

The Department explained that recovery of Rs.153,536/- had been imposed on Rai Liaquat Ali, (FGS) who had been compulsorily retired from the service. A sum of Rs.27,480/- had been recovered from him and remaining amount would be recovered from his pension/gratuity.

The Committee kept the para pending and directed that the department should submit a report about the present stage of the case in the ACE within 30 days to Public Accounts Committee.

**2.11.2004** The Department explained that the Director Food Punjab had accepted the appeal of the official and set-a-side the impugned order dated 6-8-2001 of DD(F). The appellant had been reinstated in the service with the direction that he should deposit all the government dues/pensionary benefits if drawn by him. So far as the case of Anti-corruption establishment was concerned, the prosecution could not establish the charge against the accused official and the accused was acquitted.

The Committed accepted the explanation of the department and the **para was settled.**

**10. Para No.1.10.**

District Food Controller, Okara – Rs.110,183/-

**1.11.2004** Audit had pointed out that GP.7 and GP.13 forms showing exact shortage were not provided.

The Department stated that the audit comments had been received on 11.11.2004 and requested that the para may be kept pending for affording reply in the light of the revised comments of the Audit.

The Committee accepted the request of the Administrative Department and the **para was kept pending.**

## 11. Para No.1.11.

District Food Controller, Layyah-Rs.821,148/-.

**10.2.2004** The Department explained that the para had already been reduced to Rs.388,574/- in SDAC meeting held on 22-9-1999; and balance recovery viz Rs.388,574/- was recoverable from Mr. Tariq Jamil, Ex-FGI, who had died in January 2000. The Department further explained in the meeting that efforts to effect recovery as arrears of land revenue were made during his life; however, now on the directions of Provincial Ombudsman, the case for write off would be sent to Finance Department.

Finance Department observed that the present case of recovery had been pending for many years and emphasized the need for strengthening internal income expenditure system by the Department and for effecting timely recoveries.

The Committee **kept the para pending till the decision in the write off case by the competent authority** and also directed the department to expedite the process of recovery in other cases.

## 12. Para No.1.12.

District Food Controller, Faisalabad-Rs.28,045/-.

**11.2.2004** Audit had pointed out that less quantity of wheat was acknowledged at recipient center, Faisalabad, dispatched from P.R. center Abdul Hakeem.

The Department explained that the wheat stock was transported from PR Center Abdul Hakeem to P.R. center Faisalabad through NLC which being responsible for the shortage arranged/delivered the requisite quantity i.e. 5499 kgs. This wheat was later sold to flour mills. Hence there was no irregularity/shortage.

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

## 13. Para No.1.13.

District Food Controller, Faisalabad-Rs.591,575/-.

**11.2.2004** Audit had pointed out enroute shortage of imported wheat worth

Rs.591,575/-

The Department explained that enroute shortage of wheat took place during its transportation through Pakistan Railways and cost thereof was deducted from rent payable by Food Department to Railway Department and treasury challan amounting to Rs.1,356,517/- inclusive of the said amount of Rs.591,575/- was available for verification.

The Committee settled the para subject to verification of record by the Audit.

**1.11.2004** The Department stated that treasury challan amounting to Rs.591,575/- duly verified by the District Accounts Officer had been produced and got verified by Audit.

The Committee **settled the para with the direction to be careful in future.**

#### **14. Para No.1.14.**

District Food Controller, D. G. Khan-Rs.551,341/-.

**9.2.2004** The Department explained that the reconciliation and recovery of amount had already been taken up with the Railways Department which would be adjusted within two months.

The Audit emphasized for making good the recovery from Pakistan Railways.

The Committee **kept the para pending** and directed the department to make necessary adjustment in respect of the amount due with the Railways Department within two months under intimation to PAC.

#### **15. Para No.1.15.**

District Food Controller, Sheikhpura-Rs.1,675,714/-.

**11.2.2004** Audit had pointed out that heavy quantity of wheat remained under dispute for considerable time which in terms of notification issued by Directorate Food, Punjab dated 6-4-1985 was to be treated as enroute shortage for the purpose of recovery of the difference in the issued rate and recovery rate.

The Department explained that the para was discussed in the meeting of SDAC held on 25-3-1999 on whose directions an inquiry was conducted by Deputy Director Food, Faisalabad. The inquiry officer had concluded that only violation of instructions issued by Food Directorate had taken place in this case but no financial loss was sustained by Government.

Finance department observed that it was a case for recovery as pointed out by the Audit.

The Committee kept the para pending with the direction that the department should send a copy of the inquiry report to audit for comments.

**2.11.2004** The Department explained that inquiry report duly approved by the competent authority would be got verified by Audit.

**The para was settled subject to verification of inquiry report by Audit.**

**16. Para No.1.16.**

District Food Controller, Sialkot-Rs.200,100/- (149,100 + 51,000)

(i) District Food Controller, Sialkot-Rs.149,100/-.

**9.2.2004** The Audit had pointed out that 162 filled bags with 16.200 M.T. wheat were less received at PR center Sialkot.

The Department explained that total recovery had been effected from the Railway authorities.

(ii) District Food Controller, Sialkot-Rs.51,000/-.

Audit had pointed out that 5.100 M.T. wheat was found short. However, neither any reconciliation had been made between the dispatching and recipient centers nor the price of en-route shortage had been recovered.

The Department explained that the amount of recovery viz Rs.51,000/- calculated by audit was not correct because on the basis of recovery rate of 2000-01 viz Rs.9137.34 per metric ton, the amount of recovery came to Rs.46,600/- out of which an amount of Rs.25,245/- had been deposited into government treasury. Efforts for balance recovery were being made.

The Committee conditionally settled the para subject to balance recovery and verification of relevant record by audit.

**1.11.2004** The Department stated that out of total recovery a sum of Rs.174,345/- had already been recovered and verified by audit leaving a balance of Rs.25,755/-.

Administrative Secretary explained that entire recovery as per prevailing rate in 2000-2001 was Rs.21,355/- instead of Rs.25,755/-. The said amount had been recovered and verified by Audit. An amount of Rs.4,400/- was not recoverable as the latest recovery rate was not applicable.

Committee observed that it was unjustified to apply latest recovery rates, therefore, the **committee settled the para.**

**17. Para No.1.17**

District Food Controller, Rawalpindi – Rs.1,052,877/-

**1.11.2004** Audit had pointed out that loss was occurred due to shortage of wheat.

The Department stated that credit verification of Rs.57,718/- duly signed by the District Accounts Officer concerned had been produced to Audit for verification.

The **Committee kept the para pending for verification of record by Audit.**

**18. Para No.1.18.**

District Food Controller, Attock-Rs.15,842,147/-.

**11.2.2004** Audit had pointed out less recovery on account of cost of enroute shortage of wheat.

The Department explained that this para consisted of 36 parts/items and that recovery in respect of all the items except items no.13, 15, 21 & 31 had been effected and original record collected from the dispatching ends had been shown to audit. The recoverable amount was Rs.31,291/- for the above mentioned four items.

The Committee kept the para pending except the items already verified by the Audit which would be deemed to be settled and directed the Department to produce record to audit for verification where needed and effect remaining recoveries at the earliest.

**2.11.2004** The Department stated that out of total 36 items, 26 had been got verified by Audit and partial recovery pertaining to the remaining items was being effected.

The **Committee settled the para subject to balance recovery and its verification by Audit.**

**19.           Para No.1.19.**

District Food Controller, Sargodha-Rs.507,238/-.

**11.2.2004**     Audit had pointed out irregular adjustment of enroute shortage of imported wheat.

The Department explained that as per policy the requisite amount had been recovered from the outstanding rental claims of Railways.

The Committee accepted the explanation of the department and **conditionally settled the para subject to verification of record by audit.**

**20.           Para No.1.20.**

District Food Controller, Sargodha-Rs.145,992/-.

**11.2.2004**     The Audit had pointed out enroute shortage of 252 bags weighing 25.247 M.Tons imported wheat.

The Department explained that recovery had been effected from Pakistan Railways.

The Audit stated that record regarding recovery and adjustment had been seen and verified.

On the verification of audit, the **Committee settled the para.**

**21.           Para No.1.21.**

District Food Controller, Khanewal-Rs.172,152/-.

**10.2.2004**     The Department explained that an amount of Rs. 146,065/- had been deposited into Govt. treasury and that enroute shortage of only 538 Kg. wheat had occurred the cost of which was deducted out of the I/C bill of the carriage contractor.

On the verification of Audit the **Committee settled the para.**

**22.           Para No.1.22.**

District Food Controller, Rawalpindi-Rs.1,165,330/-.

**11.2.2004**     Audit had pointed out a total loss of Rs.1,165,320/29 due to misappropriation of 1440 filled bags of wheat and amount incurred on transportation charges.



The Department explained that the above mentioned wheat was transported to Rawalpindi from PR Center Badami Bagh, Lahore which was returned by the former as it was not requisitioned or demanded by them. Proceedings under E&D Rules were conducted and in pursuance of the orders dated 15.10.1998 passed by the Chief Secretary Punjab, entire staff of PRC Badami Bagh was dismissed with imposition of recovery on them. Recovery proceedings were being pursued.

The Committee kept the para pending with the direction that the Department should effect necessary recovery at the earliest.

**1.11.2004** Audit had pointed out that loss was caused due to misappropriation of 1440 filled bags of wheat.

The Department explained that the same para was also included in the Audit Report for the year 1997-98 and requested to delete the para.

Audit stated that after examination of record of PR centre of Mughalpura Lahore it revealed that the para was duplication of DPNo-7 of Annual Report 1997-98 and requested the committee to delete it from Annual Report 1998-99. The committee accepted the request and **deleted the para.**

### **23. Para No.1.23.**

District Food Controller, Rajanpur-Rs.2,011,700/-.

**11.2.2004** Audit had pointed out that on the delivery of 406.400 MT stock to P.R. center Lahore neither acknowledgement nor receipt certificate was provided by the receiving center.

The Department explained that the requisite documents duly verified by DFC Lahore, were available with the Department which could be verified by audit.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**1.11.2004** The Department stated that the relevant record had been produced and got verified by Audit.

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

**24. Para No.1.24.**

District Food Controller, Jhelum-Rs.674,613/-.

**10.2.2004** The Department explained that recoverable amount came to Rs.665,969/42 instead of Rs.674,713/- out of which a sum of Rs.476,008/40 had since been recovered which could be verified by audit. Efforts for balance recovery were being made.

The Committee directed the Department to produce record in respect of recovery made to audit for verification and intensify efforts for balance recovery. The **para was kept pending.**

**25. Para No.2.1 Pages 8, 11 & 12 of Audit Report for the year 1998-99; Loss of Rs.4,650,623/- due to godown shortage of wheat.**

District Food Controller, Layyah-Rs.2,215,360/-.

**11.2.2004** Audit had pointed out godown shortage of wheat worth Rs.2,215,360/-.

The Department explained that M/S Shakeel Ahmad Khan, AFC and Mirza Khalid Aziz, Ex-FGI were responsible for the loss. A criminal case had been registered against both the officials with the Anticorruption Establishment. Recovery of Rs. 1,107,680/- had been imposed on each official. The case for recovery as arrears of land revenue was referred to DO(Rev) but demand had not yet been created as the matter was subjudice. Both the officials were dismissed from service but Mr. Shakeel Ahmad was reinstated by PST. During the course of the meeting the Department stated that they would look into the case again i.e. whether an appeal against PST decision had been filed.

The Committee kept the para pending and directed the department to take disciplinary action against the officer i.e. Mr. Shakeel Ahmad who was involved in other cases too and effect recovery from him as well as from the other official.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) **Convener**
- 2) Pir Kashif Ali Chishti, MPA (PP-231) **Member**

The **para was kept pending.**

**26. Para No.2.2.**

District Food Controller, Layyah-Rs.660,560/-.

**10.2.2004** The Department explained that Mr. Sehat Masih, FGS, was responsible for the loss and the criminal case of misappropriation of Govt. wheat stocks had been got registered with Anti Corruption Establishment, Multan which was still pending, and the next date of hearing was 16-2-2004. Meanwhile, the official had been reinstated by Punjab Services Tribunal and as per its directions denovo inquiry against the official had been initiated.

The Committee kept the para pending and directed the department to pursue the case with Anti Corruption Establishment and complete the inquiry proceedings within one month.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) **Convener**
- 2) Pir Kashif Ali Chishti, MPA (PP-231) **Member**

The **para was kept pending.**

**27. Para No.2.3.**

District Food Controller, Chakwal-Rs.490,383/-.

**10.2.2004** The Department explained that the recovery of Rs.284,116/- was imposed on the official concerned being the cost of wheat worked out as per prevailing recovery rate for the scheme 1995-96 which had been deposited into Government treasury.

On the verification of Departmental contention by Audit, the **Committee settled the para.**

**28. Para No.2.4.**

District Food Controller, Muzaffargarh-Rs.1,084,024/-.

**10.2.2004** The Department explained that the amount involved in this para was recoverable from Ghulam Mustafa, FGS (compulsorily retired on 25.10.2001 in another case) and Lal

Hussain, FGS. The case of recovery was pending with Revenue Authorities, Muzaffargarh. Meanwhile, in a case of appeal against the orders of DDF D.G Khan, the Punjab Services Tribunal, Lahore had granted stay order for not effecting recovery during the pendency of appeal. The matter was being pursued by the Department.

In view of the explanation of the Department, the para was kept pending.

**2.11.2004** Administrative Secretary explained that the case had been referred for recovery as arrear of land revenue which was still pending with DO (Rev), Muzaffargarh.

Representative of Finance Department proposed that Administrative Department may provide district-wise list of recoverable amount as arrears of land revenue so that it could be sent to the Board of Revenue for recovery.

Committee directed that the recovery be effected within 90 days.

The **para was kept pending**.

## **29. Para No.2.5.**

District Food Controller, Muzaffargarh-Rs.200,296/-.

**10.2.2004** The department explained that the total recovery amounting to Rs.186165/- instead of 200295/- had been effected from Mr. Fida Hussain, Senior Analyst @ Rs.7,160/20 per Ton. The difference of amount between audit and department's figure was due to the reason that audit had calculated recovery amount at the rate, prevalent at the time of audit, whereas recovery had to be imposed as per the rate prevalent at the time of imposition of recovery.

The Audit verified recovery of Rs.186,165/-

The Committee accepted the explanation of the department and **settled the para.**

## **30. Para No.3.1 Pages 9, 12 & 13 of Audit Report for the year 1998-99; Loss of Rs.36,275,891/- due to unacknowledged dispatch of bardana/stock articles/ wheat.**

District Food Controller, Gujrat-Rs.11,351,250/-.

**10.2.2004** Audit had pointed out that a large quantity of empty gunny bags were shown to have been dispatched from P.R Centers of Gujrat and other P.R Centers in the District. But GP-7 issued by receiving centers was not produced to Audit for verification.

The department explained that the record was available for verification.

The Committee **conditionally settled the para subject to verification of record by audit.**

**2.11.2004** The Audit informed that record had not yet been produced by the Department for verification.

Administrative Secretary explained that relevant record including inventory register had been obtained from Rajanpur District and the same would be got verified by Audit.

The Committee **re-iterated its previous decision.**

**31. Para No.3.2.**

District Food Controller, Gujrat-Rs.194,000/-.

**9.2.2004** Audit had pointed out that various stock articles were shown as dispatched to some P. R. Centres but in support of dispatch thereof GP-7 issued by receiving centres were neither available in the record nor produced to audit for verification.

The Department explained that acknowledgement of total stocks valuing Rs.1,94,000/- of all recipient centers viz GP-7 had been verified by audit.

On the recommendation of audit, the Committee **settled the para.**

**32. Para No.3.3.**

District Food Controller, D. G. Khan-Rs.125,000/-.

**11.2.2004** Audit had pointed out likely misappropriation of 5000 B class bags at PRC D.G Khan as proper acknowledgement thereof was not produced to audit.

The Department explained that actually bardana was dispatched from D.G Khan Centre to Muzaffargarh in 10/94 instead of 12/94 as pointed out by the Audit which was received and duly accounted for.

The Audit verified the facts and on its recommendation **the para was settled.**

**33.           Para No.3.4.**

District Food Controller, Rajanpur-Rs.24,605,641/-.

**10.2.2004**       The department explained that the record of bardana and stock articles worth Rs.13,220,175/- had already been verified by Audit, whereas record for Rs.11,128,451/- was available for checking/verification by Audit.

The Committee directed the Department to produce the record to Audit for verification and the **para was kept pending.**

**34.           Para No.4.1 Pages 9 & 13 of Audit Report for the year 1998-99; Misappropriation of bardana (bales) and bricks valuing Rs.9,700,441/-.**

District Food Controller, Sheikhpura-Rs.66,904/-.

**11.2.2004**       The Audit had pointed out less accountal of 4 bales, 138 A-Class bags and 4400 B-class bags.

The Department explained that recovery of above mentioned articles had been effected and verified by audit.

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

**35.           Para No.4.2.**

District Food Controller, D. G. Khan-Rs.145,300/-.

**9.2.2004**       The Department explained that acknowledgement i.e. GP-7 regarding handing over of 3079 A-Class bags and 762 B-Class bags had been produced. Further, cost of 466 A-Class bags and 87 B-Class bags had been deposited into Govt. treasury. Audit endorsed the departmental version.

The **Committee settled the para.**

**36.           Para No.4.3.**

District Food Controller, D. G. Khan-Rs.72,000/-.

**9.2.2004** The audit had pointed out likely misappropriation of 9000 P P bags.

The department explained that bardana as pointed out by audit had been recovered and deposited at PR center Taunsa. The departmental contention was verified by audit.

The **Committee settled the para.**

**37. Para No.4.4.**

District Food Controller, D. G. Khan-Rs.124,520/-.

**9.2.2004** The Department explained that 2552 A-Class bags were deposited/accounted for at P. R. Centre D. G. Khan and the remaining 278 bags were deposited/accounted for at purchase centre Shah Sadar Din in July 1996. The contention of the Department was verified by the Audit.

The **Committee settled the para.**

**38. Para No.4.5.**

District Food Controller, D. G. Khan-Rs.43,740/-.

**9.2.2004** Audit had pointed out the likely misappropriation of 54000 bricks.

The department explained that total number of bricks had been accounted for, out of which 13500 bricks had been brought to PR center D.G. Khan and remaining 40500 bricks after being declared surplus, were auctioned.

The contention of Department was verified by audit and the **Committee settled the para.**

**39. Para No.4.6.**

District Food Controller, Layyah-Rs.1,939,760/-.

**11.2.2004** Audit had pointed out that 48494 gunny bags had been misappropriated from various PR centers.

The Department explained as under-

i. Kot Sultan

E&D proceedings had been initiated against Qaisar Mahmood for



misappropriation of 3287 bags.

ii. Lohanch Nashib

E&D proceedings had been initiated against M. Ramzan, FGI. However, the number of recoverable bags from him were 11000 instead of 17059.

iii. Jharkil

Mr. Inam-ul-Islam Durani, AFC (deceased) was responsible for the recovery of 1149 bags. After his death, the case for write off had been sent to Finance Department.

iv. Chowbara

Mr. Khalid Aziz, Ex-FGI was responsible for the loss of 438 bags. He had been dismissed and recovery could not be effected from him.

v. Mr. Qaiser Mahmood, FGS, had deposited 27111 bags instead of 26561 bags outstanding against him. The deposit of bags had been verified by audit.

**The Committee kept the para pending except item V which stood verified by the audit and was settled and directed the department to pursue the case of write off as mentioned in item (iii).**

**40. Para No.4.7.**

District Food Controller, Faisalabad-7,308,217/-.

**11.2.2004** Audit had pointed out less realization of cost of gunny bags due to the reason that they were not retrieved for further use during procurement scheme. These bags were sold @Rs.15/- per bag by issuing permits to flour Mills/Chakkies in violation of Food Department's own instructions which were to be implemented w.e.f. 5.1.1994 regarding recycling of gunny bags.

The Department stated that the relevant letter would be produced to Audit under which sale of imported wheat with bags during 1994-95 was admissible and requested that the para be kept pending for verification of relevant letters/record by Audit.

In view of the explanation of the Department, the **para was kept pending.**

District Food Controller, Muzaffargarh-Rs.701,295/-.

The Department explained that recoverable amount was Rs.684,095/- instead of 701,294/-. The recovery of the amount had been imposed on the official concerned i.e. Mr. Rab Nawaz Gopang (Ex-FGI) who had been terminated from service. A criminal case had also been registered against the defaulter with the Anti Corruption Establishment which was pending in the court of Special Judge ACE, DG Khan and the next date of hearing was 19-2-2004.the case for recovery as arrears of land revenue was pending with the Revenue Authorities.

The matter being subjudice, the para was kept pending.

1)	Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246)	<b>Convener</b>
2)	Pir Kashif Ali Chishti, MPA (PP-231)	Member

The para was kept pending.

## 42. Para No.5.2.

District Food Controller, Muzaffargarh-Rs.2,147,860/-.

**10.2.2004** The Department explained that the recovery of Rs.2,647,734/- had been imposed upon M/S Shahid Rashid, Ex-DFC, and Muhammad Asghar Leghari, Ex-FGI in equal proportion, who had since been dismissed from service. The recovery due from Shahid Rasheed had been declared as arrears of land revenue. He being resident of Lahore, the case was pending with

Tehsildar Recovery, Lahore. The case of recovery against the other official as arrears of land revenue was pending with District Officer (Rev), Muzaffargarh.

The Committee kept the para pending with the direction that the Department should ensure recovery at the earliest.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) *Convener*
- 2) Pir Kashif Ali Chishti, MPA (PP-231) Member

The para was kept pending.

**43. Para No.6.1 Pages 10 & 14 of Audit Report for the year 1998-99; Loss of Rs.7,735,936/- due to misappropriation of bardana/stock articles.**

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District Food Controller, Sargodha-Rs.114,048/-.

**11.2.2004** Audit had pointed out recovery of Rs.144,048/- due to misappropriation of bardana.

The Department explained that as per policy recovery @ Rs.17/- per bag had been effected and deposited into Govt. treasury.

Finance Department observed that there was difference of view between the Department and the Audit regarding rate of recovery.

The **Committee conditionally settled the para** subject to verification of recovery and production of policy proving that purchase rate was Rs.17/- per bag instead of Rs.28/- during audit period. The Committee further directed that the Department should also take action against the officials found responsible

**44. Para No.6.2.**

District Food Controller, Attock-Rs.7,204,425/-.

**10.2.2004** The Department explained that all the relevant acknowledgment receipts i.e. GP-7 in respect of total quantity of bardana dispatched to the centers as mentioned in audit para had been obtained from the concerned quarters which could be verified by Audit.

The Audit stated that the contention of the Department had been verified from GP-

7.

On the recommendation of audit the **Committee settled the para.**

**45.           Para No.6.3.**

District Food Controller, Attock-Rs.114,463/-.

**10.2.2004**      The Audit had pointed out that adequate funds were being placed to provide other facilities to Food Department in the budget estimates of Market Committee's each year and against the market fee charged/paid by the Food Department various articles including durable goods were being supplied therefrom. But it was observed that during entire period under Audit not a single article was taken into account.

The Department explained that the audit observation was examined in light of stock articles provided. According to the authenticated list, entire articles pertaining to PR centers Hassanabdal and Faqirabad were available in the record. As regard observation pertaining to Hazro Market Committee nothing was supplied to Food Department as per certificate/letter issued by Secretary, Market Committee Hazro. Hence, the version of audit was not based on facts.

The Committee accepted the explanation of the department and **settled the para.**

**46.           Para No.6.4.**

District Food Controller, Rajanpur-Rs.273,000/-.

**11.2.2004**      Audit had pointed out that 39 tarpaulins were not handed over by the two officials to their successor at the time of handing over charge at Flag Centre Mithan Kot.

The Department explained that Inquiry/disciplinary action had been initiated against the defaulting officials who delayed delivery of the tarpaulins. These tarpaulins were defective and needed repair, therefore, the newly posted official had refused to accept them, which were later repaired and deposited.

The Committee kept the para pending with the direction that the inquiry proceedings be finalized under intimation to Public Accounts Committee.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) *Convener*
- 2) Pir Kashif Ali Chishti, MPA (PP-231) Member

The para was kept pending.

**47. Para No.7.1 Pages 10, 14 & 15 of Audit Report for the year 1998-99; Loss of Rs.639,414/- due to misappropriation/shortage of bardana.**

District Food Controller, Muzaffargarh-Rs.99,324/-.

**10.2.2004** Audit in its latest comments stated that a sum of Rs.79,324/- had been recovered and deposited into Government treasury which stood verified.

The Department stated that the balance recovery had also been effected which could be verified by the Audit.

The Committee settled the para subject to verification of record by Audit.

**1.11.2004** The Department stated that the balance recovery had been recovered and got verified by Audit.

Departmental contention was supported by Audit, therefore, the **Committee settled the para.**

**48. Para No.7.2.**

District Food Controller, Rajanpur-Rs.139,742/-.

**10.2.2004** The department explained that 2000 A-Class bags had been recovered from growers and accounted for in the inventory register of Fazalpur. The item had also been discussed in SDAC meeting held on 29-9-1999 and stood settled.

With reference to polythene sheets, the department explained that 396 Kgs. Polythene had been accounted for in the stock article register of Fazalpur and auctioned and sale proceed of the same had been deposited into Govt. treasury. The remaining 250 Kg. Polythene was also allowed to be accounted for at Fazilpur by D.E D.G Khan. The officials responsible for striking off these Polythene sheets from the balance of stock register were being proceeded against.

The Committee conditionally settled the para subject to verification of all the relevant record by the Audit.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) **Convener**
- 2) Pir Kashif Ali Chishti, MPA (PP-231) **Member**

The para was kept pending.

**49. Para No.7.3.**

District Food Controller, Rajanpur-Rs.68,940/-.

**9.2.2004** Audit in its comments verified deposit of Rs.4980/- as cost of 128 A-Class gunny bags, accountal of 1004 bags and difference of 400 bags due to calculation had also been verified.

On the recommendation of audit, the **Committee settled the para.**

**50. Para No.7.4.**

District Food Controller, Muzaffargarh – Rs.331,408/-

**1.11.2004** The Department explained that the requisite copies of inventory (Gp.7) of bardana of Sheikhpura and SF-21 for the year 1996-97 had been produced to audit for verification.

Audit stated that the record had been verified and recommended the para for settlement.

The Committee accordingly, **settled the para.**

**51. Para No.8 Page 15 of Audit Report for the year 1998-99; Fraudulent issue of wheat valuing Rs.305,501/-.**

**10.2.2004** Audit in its latest comments stated that the departmental contention to the extent of deposit of Rs.238,343/- had already been verified. Further, deposit of Rs.21,318/- and adjustment of Rs.45,840/- had also been verified.

On the recommendation of audit, the **Committee settled the para.**

**52.            Para No.9.1 Pages 16 & 18 of Audit Report for the year 1998-99;  
Loss of Rs.17,036,588/- due to declassification/damage of bags, tarpaulins and  
stock articles.**

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District Food Controller, Sheikhpura-Rs.1,948,930/-.

**10.2.2004**      Audit had pointed out that from scrutiny of record it appeared that “A” class bardana at large scale was exchanged with inferior class.

The Department explained that the Recipient Centre to settle classification of bardana with dispatching centre recorded B or D-class whereas “D” class bardana was not used in transportation of wheat. Later, wheat along with bardana was accounted for and sold to flour mills which did not object to the quality/class of bardana. The relevant record viz Inventory Register, GP-7 and SF-21 was available for verification.

The Committee conditionally settled the para subject to verification of record by audit.

**1.11.2004**      The Department explained that wheat along with bardana was accounted for in the inventory register which was soled to flour mills at the notified price of the Government and the buyers did not object the quality/class of the bardana, therefore, Government was not put to any loss.

After verification of inventory register, Audit recommended the para for settlement.

The committee accordingly **settled the para.**

**53.            Para No.9.2.**

District Food Controller, Gujrat-Rs.287,500/-.

**9.2.2004**      Audit had pointed out that recovery of Rs.287,500/- was due from the officers/officials concerned on account of cost of 11500 bags which were found in damaged condition.

The department explained that a sum of Rs.109,350/- and Rs.40,500/- had been recovered from the concerned officials out of total recoverable amount of Rs.310,500/-. The case for balance recovery of Rs.160,650/- as arrears of Land Revenue had been referred to the concerned Revenue authorities. The audit verified the contention of the Department regarding the recoveries so far made.



The Committee directed the Department to intensify efforts to effect balance recovery. The para was kept pending.

**2.11.2004** The Department stated that out of total recoverable amount of Rs.149,850/- had already been got recovered and verified by Audit. A further recovery of Rs.45,900/- had been effected and produced to Audit for verification. The remaining amount of Rs.54,675/- was due against Mr.Abdul Ghani FGI (Retd.) which was being recovered as arrears of land revenue and the case was under process.

The Committee decided to reduce the para to the extent of recovery subject to verification of record and directed to expedite the balance recovery. The **para was kept pending.**

**54. Para No.9.3.**

District Food Controller, Gujrat-Rs.201,036/-.

**9.2.2004** Audit had pointed out that a number of gunny bags were shown as declassified in the inventory registers of the many centers as a result of which recovery of Rs.201,036/- was required to be effected from the defaulters. The department had also conducted an inquiry for fixing responsibility whose decision was still awaited.

The Department explained that the case was discussed in the meeting of SDAC held on 16-11-2000, and the para was settled up to the extent of 6107 bags. Remaining bardana 1300 had been declared de-classified by the competent authority. The inquiry proceedings had been completed. Amount realized from auction of bardana had been deposited into Government treasury. The inquiry report was available which could be verified by the Audit.

The Committee settled the para subject to verification of inquiry report/record by the Audit.

**1.11.2004** The Audit stated that the inquiry report submitted to audit had been seen and recommended the para for settlement.

The committee accordingly **settled the para.**

**55. Para No.9.4.**

District Food Controller, Vehari-Rs.207,400/-.

**9.2.2004** The Department explained that there were only two classes of bardana i.e. "A" and "B" class. "D" class bardana being inserviceable was not used for transportation of wheat. It was further explained that out of total 8296 bags, 1153 were found useable during rechecking and

remaining 7143 bags were got changed with those of B-Class from Incharge Mailsi Center.

The Audit in its latest comments stated that out of 8296 D class gunny bags, replacement and accountal of 7143 bags as B class bags in the inventory register had been verified.

The Committee settled the para subject to verification of record by Audit.

**1.11.2004** The Department stated that the relevant record had been produced and got verified by Audit.

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

**56. Para No.9.5.**

District Food Controller, Okara-Rs.1,326,000/-.

**11.2.2004** Audit had pointed out declassification of tarpaulins without sanction of competent authority at P.R Basirpur.

The Department explained that the said tarpaulins were 30 years old which needed extensive repair. In the inquiry conducted by Storage Officer no body was held responsible. Later, on the directions of DDF Lahore, DFC Okara had prepared a case for write off in respect of damaged tarpaulins.

The Committee kept the para pending with the direction that the department should finalize the matter in 30 days under intimation to Public Accounts Committee.

**2.11.2004** Administrative Secretary explained that the tarpaulins were being used from 1972, therefore, these had been lost their utility, it was rather the case of declaration of tarpaulins as “D” class and not a write off sanction cases. The auction of these tarpaulins was still under process and as soon as it would be finalized, the record would be produced to Audit for verification.

The Committee **kept the para pending.**

**57. Para No.9.6.**

District Food Controller, Okara-Rs.658,385/-.

**11.2.2004** Audit had pointed out unauthorized declassification of gunny bags by incharges of

various centers without obtaining sanction of the competent authority.

The Department explained that recovery pertaining to various centers namely Dhool Chourch Center (431 bags), Mandi Hira Singh Purchase Center (100 bags) Dhalliana Purchase Center (21 bags), Head Sulemanki Purchase Center (1625 bags) had been effected and verified by Audit. The Audit in its latest comments verified the contention of the Department to this extent.

The committee kept the para pending except the items already verified by the Audit which were settled with the direction that the department should effect balance recovery and produce record to Audit where needed.

## **2.11.2004**

### **1) P.R Center Basirpur.**

The Department explained that Tehsildar Recovery Food Directorate Punjab, Lahore had been requested to effect the recovery as an arrear of Land Revenue. The recovery as and when made would be got verified by Audit.

The Committee directed that the case be pursued to recover the outstanding amount as per decision of committee.

### **2) P.R Center Haveli.**

The Department explained that a sum of Rs.52,350/- had been recovered from the gratuity of Mr. Khalid Javaid which included the amount of Rs.29,850/- pertaining to this para.

Committee settled the para subject to verification of recovery by Audit.

### **3) Rohella Tajeka Centre.**

The Department explained that entire recovery amounting to Rs.10,402/- according to prevailing ratio during 1994-95 had been recovered and deposited in the Government Treasury.

Committee settled the item subject to verification of record by Audit.

### **4) P.R CentreDharma.**

The Department explained that the recovery of Rs.61,932/- as per recovery schedule 1994-95 had been made good according to the decision made by the competent authority.

**Committee settled the para subject to verification of relevant record by Audit.**

**58.           Para No.9.7.**

District Food Controller, Okara-Rs.204,032/-.

**11.2.2004**      The Audit had pointed out recovery for loss of bardana including exchange of “A” class bags with “B” class amounting to Rs. 204,032/- which was outstanding against various officials of different centers.

The Department explained that 1868 bags were recoverable from Shahid Nazir, FGS who had been suspended and a criminal case was got registered against him. Later, these bags were recovered by the Police. The relevant record was in the custody of Shahid Nazir who was not producing the same.

Audit in its latest comments verified items (A) (ii) and (iii) pertaining to Rohela Tajeka and Mandi Ahmadabad Centres (Rs.29,960/- + Rs.63,000/-) and recommended them for settlement.

The **Committee kept the para pending except items (A) (ii) (iii) already verified by the Audit which were settled.** The Committee directed that the Department should initiate disciplinary proceedings as well against Shahid Nazir, FGS and pursue the case with Anti Corruption authorities and that inquiry proceedings and recoveries as pointed out by Audit should also be expedited.

**59.           Para No.9.8.**

District Food Controller, Okara-Rs.168,000/-.

**11.2.2004**      Audit had pointed out that 56 tarpaulins had been declared declassified/ unserviceable without obtaining the sanction of competent authority.

The Department explained that 35 tarpaulins were declassified with the sanction of competent authority; 2 tarpaulins in serviceable condition were available and 19 tarpaulins were under repair. It was further stated that recovery of Rs.57,000/- had been imposed on the concerned official.

The Committee kept the para pending except items (1) & (2) about 37 tarpaulins already verified by the Audit which were settled and directed that Department should ensure recovery from the concerned at the earliest.

**1.11.2004**      The Audit stated that the relevant record regarding recovery of Rs.57,000/- had

been verified and recommended the para for settlement.

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

**60.           Para No.9.9.**

District Food Controller, Okara-Rs.148,225/-.

**9.2.2004**       The department explained that total amount of Rs.148,225/- had been recovered and deposited into Govt. treasury. Audit verified the Department's contention.

The Committee on the recommendation of audit **settled the para.**

**61.           Para No.9.10.**

District Food Controller, Okara-Rs.137,000/-.

**11.2.2004**       Audit had pointed out declassification of 44 tarpaulins and one scale, without obtaining proper sanction of the competent authority.

The Department explained that 8 out of 15 tarpaulins had been got repaired and were in use. Survey report about 7 tarpaulins had been sent which would be disposed of on receipt of approval of competent authority. 29 tarpaulins were included in 31 tarpaulins which had been declared as surplus by the competent authority.

The Committee conditionally settled the para subject to verification of relevant record by the Audit.

**2.11.2004**       Administrative Secretary explained that the tarpaulins had been auctioned and the amount of Rs.11,500/- had been deposited in Government treasury and the record would be produced to Audit for verification.

The **Committee settled the para subject to verification of record by Audit.**

**62.           Para No.9.11.**

District Food Controller, Okara-Rs.53,319/-.

**10.2.2004**       The Department explained that stock articles had been accounted for and recovery had been effected and deposited into Govt. treasury.

The Audit verified the departmental contention.

On the recommendation of audit the **Committee settled the para.**

**63.           Para No.9.12.**

District Food Controller, Layyah – Rs.4,148,800/-

**1.11.2004**     Audit had pointed out that the para consisted of various item regarding declassification of gunny bags. Inquiry/exoneration orders had not been got verified by Audit.

Administrative Secretary requested that the para may be reduced to the extent of recovery made and got verified the Audit.

The Committee kept the para pending for recovery of balance amount and its verification by Audit.

**2.11.2004**     Audit had pointed out that un-authorised declassification of gunny bags resulted in loss of Rs.4,148,800/-.

Administrative Department explained that partial record had been produced and got verified by Audit, whereas departmental action on some of the items was under process.

**The para was kept pending.**

**64.           Para No.9.13.**

District Food Controller, D. G. Khan-Rs.72,028/-.

**10.2.2004**     Audit had pointed out that 1637 “A” class bags were converted into “D” class at purchase centre Kot Chutta without any justification.

The Department explained that 1637 “A” class bags were declared surplus/unserviceable by DDF D.G Khan. The above mentioned quantity of D-class bags was auctioned on 22.3.2000 and sale proceeds amounting to Rs.483/- were deposited into Govt. treasury. Moreover, an inquiry was also held in which Mr. Anjum Fareed, FGS was found guilty. The official had filed an appeal against the said orders was pending before the competent authority.

The Committee kept the para pending with the directions to the department to finalize inquiry proceedings/appeal matter within 15 days under intimation to PAC.

**1.11.2004** The Department explained that the appeal filed by Mr. Anjum Fareed FGS had been rejected and the recovery imposed had been recovered and deposited into Government Treasury. Audit stated that the record had been got verified and recommended the para for settlement.

The **Committee accordingly settled the para.**

**65.           Para No.9.14.**

District Food Controller, D. G. Khan-Rs.223,275/-.

**11.2.2004** Audit had pointed out that 8931 bags were shown as unserviceable whereas no survey report regarding declassification was produced to audit.

The Department explained that the number of bags was 8921 instead of 8931. The said bardana was auctioned and amount realized had been deposited into the treasury. During the course of meeting the Department explained that an inquiry was also being held to fix responsibility. DFC, DG Khan had been directed to complete the inquiry within 2 weeks.

The Committee kept the para pending and directed the department to complete inquiry within 15 days under intimation to PAC.

**1.11.2004** Audit stated that relevant record had been verified and recommended the para for settlement.

The committee accordingly **settled the para.**

**66.           Para No.9.15.**

District Food Controller, Gujrat-Rs.1,303,305/-.

**11.2.2004** Audit had pointed out that 86887 A-class bags were used by the Purchase Centre at the time of purchase of wheat which were sold to the Mills along with wheat at the rate of “B” class bags which resulted into loss to the Government.

The Department gave details of “A” & “B” class bardana during 1994-95 and 1995-96 schemes and stated that as per Government policy every year price of bardana was fixed according to its use. Moreover, scheme of retrieval of A-class bags was introduced in the year 96-97 after audit period which was not applicable to reported period. During the course of the meeting the Department stated that rate after declassification was fixed again and Audit’s



insistence for original price was not tenable.

The Committee kept the para pending and directed the department to show Govt. policy on the subject to Audit.

**2.11.2004** Audit pointed out that the Department was requested to show the policy documents regarding issuance of wheat to Flour Mills in A and B class bags at the same subsidized rates. The requisite government policy had not been produced for verification.

Administrative Secretary requested that the para may be kept pending for report as pointed out by Audit.

Committee took serious notice and directed to report within seven days under intimation to PAC.

**The para was kept pending.**

**67.           Para No.9.16.**

District Food Controller, Sialkot– Rs.1,517,792/-.

**1.11.2004**

**AP No.3**

The Department stated that maximum recovery had been effected and the balance recovery was under process.

**The committee settled the para subject to balance recovery and its verification by Audit.**

**AP No.4**

**AP No.7**

The Department explained that recovery had been referred to EDOR, Sialkot as arrears of land revenue, but no action inspite of repeated reminders had been taken so far.

The committee directed that the case be persuade with the EDOR.

**The paras were kept pending.**

**AP No.8**

The Department stated that 3233 bags received from PR centre Naruwal during 1996-97 were got replaced with good quality.

The bags were got repaired and utilized during procurement scheme 1999-2000.

The Audit did not agree with the departmental contention.

**The para was kept pending.**

### **AP No.9**

The Administrative Secretary stated that the AP No.9 regarding declaration of 3233 B-class bags as D-class had already been included in AP No.7.

The Audit accepted the departmental contention and recommended the advance para to be deleted.

**The Committee accordingly deleted the AP No.9.**

### **AP NO.10**

The Department explained that 1500 bags out of 2150 bags were taken in the inventory register and used after repair and the remaining 650 bags were declared D-class and were auctioned. The auction proceeds amounting to Rs.715/- deposited into Government treasury had been got verified by Audit.

Audit pointed out that loss of Rs.16,835/- far declaring B-class bags as D-Class bags from the then Centre Incharge was still recoverable.

**The Committee kept the para pending till recovery of Rs.16,835/- and its verification by Audit.**

### **68. Para No.9.17.**

District Food Controller, Rajanpur-Rs.2,002,306/-.

**11.2.2004** Audit had pointed out that a large number of gunny bags at various flag and PR centers were declared D-Class by Incharges of centers without preparing survey/ inspection reports and without obtaining prior sanction of the competent authority.

The Department explained that declassification of bags had taken place at 12 PR/

Flag centers. In most of the cases the responsible officials had been proceeded against, under E&D rules.

The Committee kept the para pending except items 6, 9 and 12 verified by the Audit, which were settled.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) *Convener*
- 2) Pir Kashif Ali Chishti, MPA (PP-231) *Member*

The **para was kept pending**.

#### **69. Para No.9.18.**

District Food Controller, Rajanpur-Rs.1,044,580/-.

**9.2.2004** Audit had pointed out that 160 tarpaulins had been declared unserviceable (D-Class) by the respective center incharges without preparing survey/inspection report and without obtaining prior approval of the competent authority.

The department stated that the matter required further probe and requested the Committee to keep it pending.

On the request of the department, the Committee kept the para pending, till its next meeting.

**1.11.2004** The Department stated that the inquiry had been completed on 31.08.04 and the Deputy Director Food Dera Ghazi Khan had exonerated the officials from charges.

The **Committee settled the para subject to verification of inquiry report by Audit.**

#### **70. Para No.9.19.**

District Food Controller, Rajanpur-Rs.73,850/-.

**11.2.2004** Audit had pointed out unauthorized declassification of 2954 bags.

The Department explained that 2129 bags had been declassified by competent authority which were auctioned for Rs.2444/- and the amount had been deposited into Govt. treasury. The remaining 825 bags were included in draft para No.9.17 for the year 1998-99,

therefore, the same should be deleted from the present para.

The Audit in its comments verified that the para was discussed in SADC meeting held on 29 September 1999 and was reduced to the extent of 825 bags.

The Committee settled the item pertaining to 2129 bags and deletion of 825 bags from the present para subject to verification of record by audit.

**1.11.2004** The Department stated that the para was discussed in SDAC meeting held on 29.9.1999 and same was reduced to the extent of Rs.825/- bags. Department contended that these bags were already included in 3165 bags which were declared as unserviceable/surplus by the competent authority. The amount of auction proceeds had been deposited and got verified by Audit.

On recommendation of Audit, **Committee settled the Para.**

**71. Para No.9.20.**

District Food Controller, Rajanpur-Rs.94,635/-.

**10.2.2004** The Department explained that the audit had imposed recovery for 2103 bags @ Rs.45/- per bag which was not correct. These were B class bags and recovery @ Rs.27/- per bag came to Rs.56,781/- instead of Rs.94,635/- as was evident from OAG para No.1 for the period 1997-99 wherein quantity of bardana of same centre and scheme was calculated by Audit @ Rs.27/- per bag. It was further contended that the Administrative Department had full powers to fix rates in such cases. In the instant case cost of 2103 bags i.e. Rs.56,781/- had since been deposited which stood verified by the Audit.

The **Committee accepted the explanation of the department and settled the para.**

**72. Para No.9.21.**

District Food Controller, Rajanpur-945,000/-.

**9.2.2004** Audit had pointed out that 135 tarpaulins had been declared unserviceable by the department without inspection report and sanction by the competent authority.

The department requested the Committee to keep the para pending in order to fix responsibility and proceed against the defaulter/defaulters.

The Committee kept the para pending till its next meeting.

**11.2.2004** Audit had pointed out unauthorized declassification of 135 tarpaulins.

The Department explained that sanction of competent authority for declaring 135 tarpaulins as surplus/unserviceable was still awaited. Moreover, an inquiry in this regard was also being held.

The Committee kept the para pending with the direction that the inquiry should be completed and responsibility fixed under intimation to PAC.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) *Convener*
- 2) Pir Kashif Ali Chishti, MPA (PP-231) *Member*

The para was kept pending.

**73. Para No.9.22.**

District Food Controller, Attock-Rs.175,840/-.

**11.2.2004** Audit had pointed out that as per G.P-7 i.e. acknowledgement “D” class bardana was received by the incharge of recipient center which also included A-Class bardana.

The Department explained that D-Class bags in question had been utilized in procurement of wheat and Govt. had sustained no loss. The relevant record i.e. GP-5, GP-6, GP-7 and inventory register was available for verification by audit.

The Committee settled the para with the direction that it should not be quoted as precedent in future.

**74. Para No.9.23.**

District Food Controller, Sargodha-Rs.35,700/-.

**10.2.2004** The Department explained that the recovery had been effected and deposited into Govt. treasury and verified by audit.

On the recommendation of audit, the Committee settled the para.

**75.           Para No.9.24.**

District Food Controller, Khanewal-Rs.59,650/-.

**9.2.2004**        Audit had pointed out the utilization of gunny bags in excess quantity than the actual requirement which had resulted into loss to Government.

The department explained that the exact figure was 5052 bags and not 5965, which were used in excess. The amount for 5052 bags had been deposited into Govt. treasury, which stood verified by audit.

On the recommendation of audit, the **Committee settled the para.**

**76.            Para No.10 Pages 18 & 19 of Audit Report for the year 1998-99;  
Loss of Rs.2,165,910/- due to back railing of 15148.200 M. T. wheat.**

**10.2.2004**        The Audit had pointed out that wheat stock was dispatched to Multan P.R cnetre from Khanewal and Vehari for which transportation charges were paid. At the same time a huge stock of wheat was also dispatched from Lodhran and Lar to Attock and Lahore. The transportation charges could easily be curtailed by unloading wheat of Lodhran and Lar at Multan and that of Khanewal and Vehari could be dispatched to Attock and Lahore.

The Department explained that the sole purpose of purchasing PASSCO wheat was to supply the same to Attock to check break down and to meet the requirement of Attock District. The purchase/allocation was made by the Food Directorate which had no concern with the local requirement of Multan District. A severe break down took place at Multan a few days later and DDF Multan Division by making local arrangements brought the wheat stock from Vehari/Khanewal to Multan for which he was fully competent under the rules.

During the course of the meeting the Department stated that an inquiry had been got conducted and further probe would be made.

The Committee observed that proper planning should be made in such cases to save Govt. expenditure and directed that the Administrative Department to inquiry into this matter and fix responsibility at the earliest under intimation to Public Accounts Committee. The para was kept pending.

**2.11.2004** The Administrative Department stated that ADF Bahawalpur was appointed as Inquiry Officer vide No. SOF-(VII) 4/(3)/2004 dated 12.8.2004. As per findings of the inquiry, Deputy Director Food, Multan Division was competent to make local arrangements to meet with the shortage of wheat in Multan so no irregularity was committed in this case.

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

**77.            Para No.11.1 Pages 20 & 23 of Audit Report for the year 1998-99; Irregular payment of transportation charges amounting to Rs.3,883,417/-.**

District Food Controller, Vehari-Rs.669,983/-.

**9.2.2004** Audit had pointed out that transportation charges of wheat stocks from purchase center to storage center were paid out of purchase bill and not out of relevant head of transportation charges in violation of instructions/policy on the subject.

The department explained that payment was made to the growers/sellers as per wheat procurement policy issued by the Govt. of the Punjab, Food Department.

Finance Department observed that it was a policy issue and transportation charges were not to be included in the cost of wheat for which payment had to be made from different heads. It was a procedural irregularity which should be got regularized by the Finance Department.

The Committee directed that the Department should get the irregularity regularized by the Finance Department. The **para was kept pending.**

**78.            Para No.11.2.**

District Food Controller, Okara – Rs.396,450/-

**1.11.2004** Audit had pointed out that transportation policy of wheat was not approved by the Finance Department.

The Department stated that transportation charges was paid in accordance with the Policy.

Finance Department pointed out that transportation policy of Administrative Department should be got vetted by the Finance Department.



The **Committee decided to settle the para subject to approval of transportation policy by the Finance Department.**

**79.           Para No.11.3.**

District Food Controller, Faisalabad – Rs.362,620/-

**1.11.2004**     Audit had pointed out that transportation policy of wheat was not approved by the Finance Department.

The Department stated that transportation charges was paid in accordance with the Policy.

Finance Department pointed out that transportation policy of Administrative Department should be got vetted by the Finance Department.

The **Committee decided to settle the para subject to approval of transportation policy by the Finance Department.**

**80.           Para No.11.4.**

District Food Controller, Toba Tek Singh-Rs.874,128/-.

**9.2.2004**        Audit had pointed out that the transportation charges were paid from different head of account than the one which was relevant for the purpose.

The department explained that payment was made according to the procurement policy. Moreover, with a view to achieving the target fixed by the Government, the payment of transportation charges at the spot along with the cost of wheat was an incentive to growers/sellers to sell their commodity to the Punjab Food Department.

Keeping in view the observations of Finance Department in respect of para No.11.1, the Committee directed that the Department should get the irregularity regularized by the Finance Department. The para was kept pending.

**1.11.2004**     Audit had pointed out that transportation policy of wheat was not approved by the Finance Department.

The Department stated that transportation charges were paid in accordance with the Policy.

Finance Department pointed out that transportation policy of Administrative Department should be got vetted by the Finance Department.

**The Committee decided to settle the para subject to approval of transportation policy by the Finance Department.**

**81.           Para No.11.5.**

District Food Controller, Khanewal – Rs.588,113/-

**1.11.2004**    Audit had pointed out that transportation policy of wheat was not approved by the Finance Department.

The Department stated that transportation charges was paid in accordance with the Policy.

Finance Department pointed out that transportation policy of Administrative Department should be got vetted by the Finance Department.

**The Committee decided to settle the para subject to approval of transportation policy by the Finance Department.**

**82.           Para No.11.6.**

District Food Controller, Sialkot – Rs.992,123/-

**1.11.2004**    Audit had pointed out that transportation policy of wheat was not approved by the Finance Department.

The Department stated that transportation charges were paid in accordance with the Policy.

Finance Department pointed out that transportation policy of Administrative Department should be got vetted by the Finance Department.

**The Committee decided to settle the para subject to approval of transportation policy by the Finance Department.**

**83.            Para No.12.1 Pages 20 & 24 of Audit Report for the year 1998-99;  
Irregular drawal of salaries of contingent paid staff amounting to\_**

**Rs.10,083,915/-.**

District Food Controller, Sheikhpura-Rs.419,175/-.

**11.2.2004** Audit had pointed out that unauthorized appointments of temporary Chowkidars were made in violation of Government policy at various PR Centers.

The Department explained that Chowkidars were appointed/posted according to Govt. instructions issued vide Directorate of Food Punjab, letters dated 17-6-1993, 30-10-1993, 4-10-1993 and 17-5-1994. Moreover, labor was engaged according to the storage capacity for safeguarding wheat stocks stored in Govt. godowns in public interest. Further, it was evident from the record that no theft had taken place for the last 13 years.

The Committee accepted the explanation of the department and **settled the para.**

**84. Para No.12.2.**

District Food Controller, Sheikhpura-Rs.821,664/-.

**10.2.2004** The audit had pointed out that pay of 66 Chowkidars was drawn against 49 posts as fixed by the Finance Department.

The department explained that there were 49 posts of Chowkidars sanctioned for Sheikhpura District out of 338 posts sanctioned for the Division. Deputy Director Food Lahore Division while distributing the posts among districts, reallocated the number of seats for Sheikhpura District without enhancing total number of 338 seats. On the abolishment of seats of rationing staff, 30 posts of Chowkidars were transferred to Lahore, Kasur, Okara and Sheikhpura. Again 15 more seats were transferred to Sheikhpura making total strength of 72 Chowkidars in the district. As such, no deviation from the Govt. instructions was made. The orders for transfer of posts were made by the competent authority.

Finance Department observed that Deputy Director Food was not competent to reallocate posts and shift seats from one district to another. Reallocation of posts could be done after the approval of the Finance Department.

The Committee directed that the Department should seek clarification from the Finance Department on the Deputy Director Food Punjab for reallocation of posts of whether regularization by Finance Department was required and take appropriate action in the light of advice of Finance Department.

The para was kept pending.

**2.11.2004** Administrative Secretary explained that the post of Chowkidars were reallocated by Deputy Director Food and shifted to Lahore, Kasur, Okara and Sheikhpura without approval of the Finance Department. However, the case had been referred to Finance Department for regularization.

**The Committee settled the para subject to regularization by the Finance Department.**

**85.           Para No.12.3.**

District Food Controller, Gujrat-Rs.446,924/-.

**9.2.2004** Audit had pointed out that in violation of rules, Chowkidars were appointed and paid for the whole year without the sanction of the competent authority.

The department explained that Chowkidars were appointed in the interest of watch and ward requirements at the godowns. Initially they were appointed for 3 months, but they remained posted for whole year, till completion and shifting of stock.

**The Committee kept the para pending till the regularization of procedural irregularity by the Finance Department.**

**86.           Para No.12.4.**

District Food Controller, Vehari-Rs.7,189,770/-.

**9.2.2004** Audit had pointed out that temporary Chowkidars were appointed in excess of the actual requirement according to the storage capacity of the centers.

The Department explained that only 5 Chowkidars were excess at Bini Shells (Storage Center) while 60 were less against other PR centers. To meet the requirement, Chowkidars were engaged out of the strength which could be verified from acquaintance roll registers.

The Committee directed the department to get the record verified by the Audit immediately. The para was kept pending.

**1.11.2004** The Department stated that the requisite record of wheat and acquaintance rolls had been produced and got verified by the Audit.

Departmental contention was supported by the Audit.

The Committee accordingly **settled the para.**

**87.           Para No.12.5.**

District Food Controller, D. G. Khan-Rs.61,547/-.

**10.2.2004**       The Department explained that the arrears of daily wages of Chowkidars amounting to Rs.35,417/- were drawn in pursuance of orders passed by Commissioner D.G. Khan Division. The bill of remaining amount i.e. Rs.26,130/- had not been drawn during the month of 12/1995 which had been erroneously mentioned by audit.

On the verification of Departmental contention by audit, the **Committee settled the para.**

**88.           Para No.12.6.**

District Food Controller, Toba Tek Singh-Rs.259,895/-.

**9.2.2004**       Audit had pointed out that temporary Chowkidars and sweepers were required to be appointed for procurement season only for watch and ward duties but salaries were paid to the staff even after procurement season.

The Department explained that services of the temporary staff were utilized till the clearance of stock at each center.

The Committee directed that the Department should get the procedural irregularity regularized by the Finance Department.

The para was kept pending.

**1.11.2004**       Administrative Secretary explained that the case for regularization had been submitted to Finance Department on 26.8.2004 but the reply was still awaited.

**The para was kept pending for regularization by the Finance Department.**

**89.           Para No.12.7.**

District Food Controller, Rajanpru-Rs.884,940/-.

**10.2.2004** The Department explained that Rs.25,500/- on account of excess engagement of nine Chowkidars at Fazalpur and One Chowkidar at Rajanpur had been deposited into Govt. treasury. Audit had seen the deposit of this amount in the light of minutes of SDAC meeting dated 29.9.1999.

Audit in its latest comments verified the deposit of Rs.25,500/-.

On the recommendation of audit, the Committee settled the para.

**11.2.2004** Audit had pointed out that un-necessary appointments of Chowkidars at various centers were made, which resulted in a loss of Rs.884,940/- to the Government.

The Department explained that as per minutes of Special DAC meeting dated 29.9.1999 Rs.25,500/- on account of excess engagement of nine chowkidars at Fazalpur, and one Chowkidar at Rajanpur had been deposited into Govt. treasury.

The contention of the department was verified by audit.

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

**90. Para No.13.1 Pages 21 & 25 of Audit Report for the year 1998-99; Doubtful payment of Rs.521,524/- on transportation charges by showing excess distances.**

District Food Controller, Attock-Rs.210,190/-.

**10.2.2004** The Audit had pointed out that the contractor was paid for extra milage without obtaining permission of the competent authority.

The Department explained that desired document i.e. distance table duly approved by the competent authority was available for verification.

Audit verified that relevant record had been seen and verified.

On the recommendation of audit, the **Committee settled the para.**

**91. Para No.13.2.**

District Food Controller, Attock-Rs.311,334/-.

**10.2.2004** The Audit had pointed out that an amount of Rs.305,107/- (Gross Rs.311,334/-)

was drawn from Govt. treasury to be paid to the contractors on account of additional milage for 34 Kms. for transportation of imported wheat from Port Qasim Karachi to Attock. On the plea of restriction imposed on heavy traffic on Kotri Barrage Audit wanted to see previous incidental charges bills.

The Department explained that the additional charges in question were claimed to restriction on heavy traffic on Kotri Barrage on the directions of Director Food Punjab vide letter dated 1.4.1993. It was further stated that the previous bills were available for verification by Audit.

The Audit in its latest comments verified the contention of the Department.

The Committee on the recommendation of Audit, **settled the para.**

**92. Para No.14.1 Pages 21, 25 & 26 of Audit Report for the year 1998-99; Unauthorized release of wheat 85396.849 M.T. valuing Rs.42,698,424/-.**

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District Food Controller, Multan-Rs.8,328,250/-.

**11.2.2004** Audit had pointed out excess issue of wheat to flour mills than the fixed quota which had created alarming situation in March/April 1997.

The Department explained that matter had already been taken up with NAB authorities and was pending with them. Enforcement wing of the Department had been directed to pursue the same.

The Committee kept the para pending and directed the department to pursue the case vigorously.

**2.11.2004** The department stated that the case was still pending with NAB and the enforcement wing of Food Directorate was pursuing the case of NAB.

The Committee reiterated its previous directions and **kept the para pending.**

**93. Para No.14.2.**

District Food Controller, Attock-Rs.34,370,174/-.

**11.2.2004** Audit had pointed out irregular and unauthorized release of wheat during May to August.



The Department explained that the requisite orders of the then Chief Minister as well as the then Food Minister Punjab were available for verification. The Department during the course of the meeting stated that the case in this regard was also pending with NAB authorities.

The Committee **kept the para pending.**

**94. Para No.15 Page 26 of Audit Report for the year 1998-99; Irregular/doubtful expenditure of Rs.199,338/- on repair of P.R. Centre Attock.**

**11.2.2004** Audit had pointed out irregular and doubtful drawal on account of repair charges of food godown.

The Department explained that work was god done after completing all codal formalities and T.S and A/A and other record was available, which could be verified by Audit. 50% payment was made to contractor on the report of AFC and balance 50% was paid on completion of work on ground. No advance drawal/payment was made. As regards deduction of Income Tax @3% instead of 5%, was based on the calculation by PASSCO authorities. However, deduction of income tax @ 5% was required to be deducted w.e.f. July 1996 whereas payment in this case was made in 1995.

The Committee conditionally settled the para subject to verification of record by audit.

**1.11.2004** The Administrative Secretary explained that 50% repair work of PR centre Attock was got done by PASSCO and approached to produce the relevant record for verification. As soon as the record/requisite documents received from the PASSCO, same would be produced to Audit.

The **para was kept pending.**

**95. Para No.16 Pages 26 & 27 of Audit Report for the year 1998-99; Irregular expenditure on residential telephones amounting to Rs.138,889/-.**

**11.2.2004** The Department explained that all the telephone bills had been paid from different heads of account after obtaining the sanction/approval by the competent authority. It was stated that case had been taken up with the Finance Department for regularization.

The **Committee conditionally settled the para subject to regularization by the Finance Department.**

**96.            Para No.17 Page 27 of Audit Report for the year 1998-99; Irregular expenditure of Rs.133,813/-.**

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**10.2.2004**      Audit had pointed out that an amount of Rs.133,812/- was drawn from Govt. treasury on 28.2.1994 for the payment of Market Fee (cess fund) for the period 1-5-1985 to 5-1991 without obtaining sanction of the Finance Department for time barred claim because financial liability of previous year could not be paid from the grant of another year under the relevant provisions of PFR Vol-I.

The Department explained that under rule 2.25(a) and (b) of PFR Vol-I, only claims of arrears of pay and allowances became time-barred after six months, whereas, on the contrary, the instant case related to Market fee and being contingent charges could be disbursed under Rule 2.26 of PFR Vol-I.

Finance Department observed that previous year's liability could not be carried forward to the next year.

The Committee kept the para pending and directed that the Department should refer the matter to the Finance Department for clarification and submit a report to PAC in its next meeting.

**1.11.2004**      The Audit had pointed out that the case was referred to the Finance Department for clarification.

The Department explained that Finance Department under his No.SO (MREC) 7-2/2004 Food dated 28.5.2004 had agreed that since, the market fee was incidental charges, as such there was no need to get the expenditure regularized.

Representative of the Finance Department also endorsed the point of view of the Administrative Department.

The Committee **settled the para.**

**97.            Para No.18.1 Pages 21, 27 & 28 of Audit Report for the year 1998-99; Irregular purchase of bricks, fire extinguishers and polythen valuing Rs.1,454,092/-.**

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District Food Controller, Okara-Rs.174,092/-.

**11.2.2004**      Audit had pointed out that huge expenditure was made on the purchase of bricks for dunnage/thrajat for the purpose of shortage of wheat without obtaining the permission of the

competent authority and therefore, the expenditure could not be charged as legitimate. Moreover, 157500 bricks were sold for Rs.53,700/- whereas 109000 bricks were sold for Rs.37,800/- which had resulted in loss to Government.

The Department explained that 266500 bricks were purchased with the approval of the competent authority which being depreciated were auctioned after procurement season and total auction amount of Rs.91,800/- was deposited into Government treasury. The relevant record could be got verified by Audit.

The Committee conditionally settled the para subject to verification of entire record by the Audit.

**2.11.2004** Audit contended that as per record produced bricks were purchased prior to sanction of the competent authority, therefore, irregularity should be got regularized.

Department explained that as the procurement season was too short, therefore, purchase of bricks was made in emergency for storage of wheat stock and it was in the best interest of the Govt. and in accordance with the financial powers delegated to the Department.

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

#### **98. Para No.18.2.**

District Food Controller, Gujrat-Rs.1,280,000/-.

**9.2.2004** Audit had pointed out that polythene was purchased by DFC Gujrat worth Rs.1,280,000/- beyond his competency.

The Department explained that an inquiry had been ordered, which was in progress. The Department requested that the para be kept pending till finalization of inquiry proceeding which it hoped would be completed in one month.

The Committee on the request of the department, kept the para pending.

**2.11.2004** The Department explained that as per preliminary inquiry the purchases of polythene bags were made in emergency. The case had been referred to Director Food, Lahore for regular inquiry.

Directorate of Food had submitted the case to Finance Department for regularization.

The representative of Finance Department pointed out that the Administrative

Department was fully competent to make purchases, the case should have been routed through Administrative Secretary. In this case, violation of financial rules had been Committed and there should be a regular inquiry into the matter.

**The Committee kept the para pending for inquiry within 30 days under intimation to PAC.**

**99.            Para No.19 Pages 28 & 29 of Audit Report for the year 1998-99;  
Irregular expenditure of Rs.119,428/- on repair of vehicles.**

**10.2.2004**      The Audit had pointed out that repair charges of vehicles were paid from different head of account than the relevant head of account.

The Department explained that funds for repair of official vehicle were not available, therefore, after obtaining approval from Director Food Punjab repair work was got done under head 59701 in public interest. The Department further stated the case for regularization of expenditure had been referred to the Finance Department.

The Committee conditionally settled the para subject to regularization by the Finance Department.

**2.11.2004**      Administrative Secretary explained that the case for regularization had been moved to Finance Department Punjab, Lahore vide No.SOF-VIII-4(4)/04 dated 9.8.2004 the same was still awaited.

**The Committee directed the Department to expedite the case for regularization of the para.**

**100.           Para No.20.1 Pages 21 & 29 of Audit Report for the year 1998-99;  
Irregular expenditure of Rs.12,624,253/-.**

District Food Controller, Jhelum-Rs.12,560,369/-.

**10.2.2004**      Audit had pointed out that a sum of Rs.12,560,369/- was paid to Hussain Flour Mills, Jhelum on account of grinding charges for the period from 1-8-1977 to 7-9-1977 on 24-3-1996 after a period of 19 years without obtaining the sanction of the competent authority in respect of the barred claim as required under Rule 2.25 of PFR Vol-I.

The Department explained that the total amount involved in this para was Rs.125,603/69 while audit officer had erroneously observed it as Rs.12,560,369/-. The Department reiterated its arguments as given in respect of draft para 17 and stated that Rule 2.25

of PFR Vol-I was not applicable in this case.

The Committee kept the para pending and directed the department to refer the matter to the Finance Department for clarification and submit a report to PAC in its next meeting.

**1.11.2004** The Department explained that the clarification of Finance Department under his No:So (MREC)7-2/2004 Food dated 28.05.04 had been received and submitted to Audit for comments.

The Audit explained that in the light of the clarification made by Finance Department. The contention of the department is tenable.

On the recommendation of Audit the **committee settled the para.**

**101.           Para No.20.2.**

District Food Controller, Attock-Rs.63,884/-.

**10.2.2004** Audit had pointed out that sanction was accorded to the time barred TA & DA claims of Govt. officials.

The Department explained that full recovery had been realized from the concerned and deposited into Govt. treasury.

The Committee settled the para subject to verification of record by Audit.

**1.11.2004** The Department stated that balance amount of Rs.50,732/- had been recovered and got verified by Audit. The Department further explained that responsibility could not be fixed at this stage, because both the officials had been expired.

Audit verified the departmental contention and recommended the para for settlement.

The Committee **settled the para.**

**102.           Para No.21 Pages 29 & 30 of Audit Report for the year 1998-99; Irregular expenditure of Rs.68,310/- on repair of vehicle and purchase of furniture.**

**9.2.2004** Audit had pointed out that Rs.68,310/- had been incurred on the repair of Govt. vehicles and office furnishing by DFC, beyond his competency. Moreover, income tax, amounting to Rs.2400/- had not been deducted from the bills.

The Department explained that DDF after ensuring that DFC Office had funds in the head of incidentals which were going to be lapsed after 30-6-1996, directed to charge expenditure from the subordinate office i.e. DFC Office Sialkot in public interest. The Department further stated that recovery of income tax amount Rs.2400/- had been made and deposited into Govt. treasury and that Finance Department had been moved for regularization of procedural irregularity.

**The Committee kept the para pending till regularization of procedural lapse by the Finance Department.**

**103.            Para No.22 Page 30 of Audit Report for the year 1998-99; Irregular payment of transportation charges Rs.1,854,103/-.**

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**9.2.2004**        Audit had pointed out that transportation charges amounting to Rs.1,854,103/- were paid by DFC Multan beyond his competency, whereas only Director Food Punjab was competent to make such payment.

The Department explained that transportation charges were paid in compliance with the directions of the Secretary Food, in public interest to avoid any hurdle in the transportation of wheat to Multan and to maintain regular supply of atta to general public.

The Audit in its latest comments stated that Department's contention that DFC Multan was competent to pay transportation charges as per policy issued vide Food Department letter dated 29.4.1993 read with corrigendum dated 20.8.1993 was tenable and recommended the para for settlement.

The Committee accordingly **settled the para.**

**104.            Para No.23 Page 31 of Audit Report for the year 1998-99; Unauthorized Issue of Wheat Loss of Rs.1,000,039/-.**

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**1.11.2004**        The Department explained that excess issue of wheat was made under the orders of the competent authority due to break down at Rawalpindi and Islamabad. And the relevant record had been produced to Audit for verification.

Departmental contention was supported by Audit, therefore, **the para was settled.**

**105.            Para No.24.1 Pages 31, 33 & 34 of Audit Report for the year 1998-99; Loss of Rs.5,145,775/- due to excess issue of wheat to local chakkies.**

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District Food Controller, Muzaffargarh-Rs.3,076,915/-.

**10.2.2004** The Audit had pointed out that as decided by the Govt. the Food Department was allowed to release wheat out of Govt. stock up to 1 M. Ton daily to each Chakki holder. But the incharge of PR center Muzaffargarh misusing his powers sold 1254 M.Tons wheat in local market at higher rates. It was further pointed out that irregularity was committed regarding issue of wheat to Chakky holders as there were instructions from Govt. not to entertain the request of any new Chakky for release of Government wheat nor the existing release of any Chakky was to be enhanced.

The Department explained that recovery had been effected. However, inquiry with respect to irregularity of issue of wheat to Chakky holders without observing necessary formalities is being held which would be finalized in about 15 days.

The Committee kept the para pending till the finalization of inquiry and directed the department to complete it soon.

**1.11.2004** The Department explained that Director Food, DG Khan had finalized the case and awarded minor penalty of stoppage of one increment for two years under No. Audit (Enquiry) M. Garh/705 dated 20.8.2004 and requested to settle the para.

Audit pointed out that as per inquiry report the charge of misappropriation of wheat had not been proved against the accused official.

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

**106.        Para No.24.2.**

District Food Controller, Muzaffargarh-Rs.2,068,860/-.

**10.2.2004** The department explained that the wheat was issued in compliance with the orders of the then Minister for Food Punjab to the Flour Mills. However, the sale proceed of excess issue had been deposited into Govt. treasury. Moreover, inquiry was conducted for misuse of power and not observing the Govt. instructions.

The Committee kept the para pending till finalization of inquiry proceedings.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-



- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) *Convener*
- 2) Pir Kashif Ali Chishti, MPA (PP-231) Member

The para was kept pending.

**107. Para No.25 Page 34 of Audit Report for the year 1998-99; Un-necessary purchase of bardana valuing Rs.200,550/-.**

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**10.2.2004** Audit had pointed out that a large number of bales of bags were purchased in April-June 1995 without any immediate requirement in violation of rules. As many as 191 bales remained in stock at P.R Centre Daska 3196 and 4197 and then were sent to other centres. Moreover, large amount was paid on transportation charges.

The Department explained that A class bags received from Jute mills were allocated as per orders of the Secretary Govt. of the Punjab Food Department dated 21.3.1995 and 4.5.95. Thereafter B class retrieved bags were allowed for procurement in Sialkot District and A class bags available in the district were allocated to other Divisions on the order of Director Food. The Department added that the target was set by the Govt. for the purchase of bardana and that it was according to the demand.

The Committee conditionally settled the para subject to verification of all relevant record by audit.

**2.11.2004** Audit explained that relevant record had been verified and recommended the para for settlement.

The para was accordingly settled.

**108. Para No.26 Pages 34 & 35 of Audit Report for the year 1998-99; Loss of foreign exchange/transportation charges valuing Rs.22,376,930/- due to negligence of department.**

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**10.2.2004** Audit had pointed out that due to non-achievement of procurement target of indigenous wheat by P.R centre Daska during 94-95 to 96-97, heavy quantity of wheat had to be imported which resulted in payment of wheat in foreign exchange and transportation charges from Karachi to PRC Daska which could be saved.

The Department explained that efforts were made to achieve the target but it could not be achieved due to crop condition and less yield production. Moreover, Gujranwala division including Sialkot was open for purchase of wheat for the flour mills of Rawalpindi Division which raised the price of wheat in the open market. The Department also presented the overall

target and achievement figures and contended that owing to the aforesaid position, wheat was imported by the Federal Government.

The Committee conditionally settled the para subject to verification of all relevant record viz-a-viz the contention of the Department by the Audit.

**1.11.2004** The Department stated that all the requisite record had been produced to Audit.

The Audit verified the statistics of Agriculture Department permits issued to flour mills and recommended the para for settlement.

The Committee accordingly **settled the para.**

**109. Para No.27 Page 35 of Audit Report for the year 1998-99; Irregular refund of penalty of Rs.179,325/-.**

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**11.2.2004** Audit had pointed out that the penalty recovered from the firm was re-drawn from Govt. treasury and refunded to the contractor.

The Department explained that the said amount of penalty was deducted from the bill of the contractor for less transportation of wheat. Later, the transportation period was extended on the orders of the competent authority. On completion of assignment the penalty amount was refunded to the contractor. It was further explained that an inquiry was conducted and as per findings thereof no irregularity had taken place, as Director Food was competent to extend the transportation period and refund penalty amount. Therefore, question of recovery did not arise.

The Committee accepted the explanation of department and **settled the para.**

**110. Para No.28 Pages 35 & 36 of Audit Report for the year 1998-99; Non auction of 114,650 D-Classified empty gunny bags valuing Rs.1,146,500/- (Approx).**

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**11.2.2004** Audit had pointed out that declassified empty gunny bags were outstanding w.e.f. 1985 which were deteriorating day by day and causing great public loss. The Audit had suggested auction of such bags expeditiously.

The Department explained that the case for disposal of declassified bardana through auction was under process. During the course of meeting the Department further explained that an inquiry had been conducted in October, 1998 at Chief Secretary's level and all

the staff posted at the center was dismissed from service. Since the quantity of bardana was quite large, the case had been forwarded to the Finance Department for approval on receipt of which the bardana would be auctioned.

The Committee kept the para pending and directed the Department to pursue the case with the Finance Department.

The Committee further directed that instructions be issued to all the Administrative Departments to Government of the Punjab to furnish details of all unserviceable items like vehicles, furniture etc. lying for auction along with action taken for their auction/disposal to PAC upto to 31.3.2004.

**2.11.2004** Administrative Secretary stated that Finance Department had referred back the case with the remarks to deal with the case at its own level. Now the bags had been declared as unserviceable and would be auctioned in due course of time.

**The Committee settled the para subject to auction of bags and verification of relevant record by Audit.**

**111.            Para No.29.1 Pages 31 & 36 of Audit Report for the year 1998-99; Securities not forfeited loss of Rs.1,170,332/-.**

District Food Controller, Vehari-Rs.80,000/-.

**9.2.2004** Audit had pointed out that contractors who were awarded contract for transportation of wheat failed to perform their contractual obligations as the work was done by other persons. This was in contravention of transportation/handling policy issued by Food Department vide letter dated 19.4.1993, but no action against such contractors was taken.

The department explained that out of 8 contractors, 5 had completed their work, as per agreement; therefore forfeiture of security deposit of such contractors was not justified. The security deposit of remaining 3 contractors i.e. M/S Nasir Latif, P/C Pipli, M/S Sheikh Brother 477/EB, M/S Bashir Ahmad P/C Ludden had been forfeited, and verified by audit.

The Committee accepted the explanation of the department and **settled the para.**

**112.            Para No.29.2.**

District Food Controller, Vehari-Rs.503,700/-.

**9.2.2004** Audit pointed out that the contractor had failed to execute work to transport stock

according to the work order, but no action had been taken against him.

The Department explained that 9 contracts were awarded to M/S Inayatullah & Co., but they could not start work in respect of five contracts. On this, show cause notice was issued to the contractor and forfeiture of his security deposit was also ordered. The contractor filed an appeal against the departmental orders and pleaded that work orders were issued on 1-6-1994, whereas show cause notice was issued on 6-6-1994 whereas expiry date of the contract was 31-10-1994. He also argued that some staff posted at different centers refused to deliver the stocks, due to which delay took place.

During the course of meeting the department apprised the Committee that even then demand had been created against the contractor for recovery of Govt. dues as arrears of Land Revenue and the Tehsildar concerned had been directed to take further action in the matter.

The **Committee kept the para pending** and directed the department to refer this case to NAB authorities for further action.

**113.        Para No.29.3.**

District Food Controller, Khanewal-Rs.140,000/-.

**11.2.2004**      Audit had pointed out that security deposits of contractors who had failed to transport the stocks as per contractual obligations were not forfeited.

The Department explained that entire recovery as pointed out by audit had been effected and deposited into Govt. treasury. The contention of department was verified by Audit.

The **para was settled.**

**114.        Para No.29.4.**

District Food Controller, Khanewal-Rs.130,000/-.

**10.2.2004**      Audit had pointed out that a contract was approval in favour of one Haji Inayatullah to transport wheat from Tehsil Khanewal to Jhelum but though the contractor failed to execute the agreement within 7 days, earnest money had not been forfeited to Govt. as required under transportation/handling policy.

The Department explained that 8 other contract besides the one under discussion was awarded to this contractor. On the failure of the contractor of execute the work as per agreement, the Director Food ordered to get the work done at the risk and cost of contractor

besides forfeiting the entire amount of earnest money. The contractor's appeal was partially accepted by Secretary Food and earnest money in respect of all 9 contracts was forfeited to the extent of Rs.153,336/- being a penalty which was deposited vide Food Department's letter dated 18.9.1994. However, Secretary Food vide revised order dated 9.4.2003 imposed penalty of Rs.153,360/- upon Inayatullah, Contractor and recovery was pending against him. The recovery process was pending with Tehsildar Recovery, Food Directorate, Punjab.

The **Committee kept the para pending** with the direction that the Department should refer this case to Anti Corruption Establishment for further action under intimation to Public Accounts Committee

**115.           Para No.29.5**

District Food Controller, Sialkot – Rs.124,932/-

**1.11.2004**     Audit had pointed out that no security had been obtained before issuance of work order.

The Department stated that work orders were issued after depositing requisite securities and earnest money i.e. CDRs and agreement had been produced to Audit.

Audit stated that the record had been verified and recommended for settlement.

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

**116.           Para No.29.6.**

District Food Controller, Rajanpur-Rs.191,700/-.

**10.2.2004**     Audit had pointed out non-forfeiture of security deposit by the department where the contractor had failed to transport stock according to the work order.

The department explained that the security deposit had been forfeited by the DFC. But on the appeal filed by the contractor, the appellant authority i.e. DDF after examining the record refunded it. During the course of meeting the department further explained that contract agreement was made for transportation of 4500 M. Tons stock, while 800 M.Tons. wheat was procured. The security was deposited for 4500 M. Tons. Therefore, the competent authority refunded his security.

The Committee pended the consideration of the para till 11-2-2004 for presentation of record and the contract agreement by the Department. However, the para could not be discussed on 11-2-2004. Hence the para was kept pending.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) *Convener*
- 2) Pir Kashif Ali Chishti, MPA (PP-231) Member

The **para was kept pending.**

**117. Para No.30 Page 37 of Audit Report for the year 1998-99; Irregular payment of Rs.74,675/- on account of rent godown.**

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**11.2.2004** Audit had pointed out that wheat storage capacity at P.R. center Okara was 13000 M.Tons while purchase storage up to the end of procurement scheme was less than the storage capacity. In spite of this, Coop Bank godowns were hired @ Rs. 4978/33 per month from 1-5-1991 to 31-7-1992, whereas no wheat stocks were stored in those godowns which were vacated on 31.7.1992. Thus unnecessary expenditure of Rs.74,675/- could be avoided because there was no need for extra accommodation for storage of wheat at Okara..

The Department explained that godowns were hired with the approval of the DDF, Lahore Division for expected storage of wheat. Since less wheat was purchased during that period, therefore, wheat stocks were not stored in the rented godowns but payment of rent was made as per contractual obligation.

The Committee conditionally settled the para subject to verification by audit of target set for stock procurement and space available for the purpose.

**2.11.2004** The Department explained that godowns were hired for the period from 1.5.1991 to 30.4.1992 due to the reasons that storage capacity of PR Centre Okara was 13000 MT whereas expected procurement was 17,000/- M.T.

Audit pointed out that less wheat was purchased during the procurement season 1991-92

Administrative Secretary did not agree with the contention of Audit and explained that payment was made as per contractual obligations with the approval of competent authority.

The Committee accepted the explanation of the Administrative Secretary and **the para was settled.**

**118. Para No.31 Page 31 of Audit Report for the year 1998-99; Undue Financial Aid To Contractors Due To Non Deduction Of Securities Worth**



**Rs.416,441/-**

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**1.11.2004** Audit had pointed out that securities were not deposited according to rules & regulations.

Administrative Department stated that securities were deducted according to rules and were released accordingly after execution of work.

The relevant record had been seen and recommended the para for settlement by the Audit.

The **Committee accordingly settled the para.**

**119. Para No.32 Page 38 of Audit Report for the year 1998-99; Loss of Rs.800,000/- due to defective contract.**

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**10.2.2004** The audit had pointed out that handling contracts were awarded to various contractors over and above than 10% of previous year's handling rates, in contravention of Directorate of Food Punjab instructions allowing increase up to 10% of approved rates of the last year in respect of transportation of wheat within Districts.

The Department explained that DDF was fully competent to approve the rates of handling contract as per para 4 of handling policy approved by the Govt.

The contention of the Department was accepted by audit, therefore, **the Committee settled the para.**

**120. Para No.33 Pages 38 & 39 of Audit Report for the year 1998-99; Likely embezzlement of Rs.41,942/-.**

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**10.2.2004** The Department explained that the call deposit of Rs.41,942/- was furnished with treasury challan to National Bank of Pakistan, Attock for clearance in favour of govt. under code Head No.1121800-other. The matter for eradicating this amount into relevant head of account was taken up with the Bank authorities which had intimate that on receipt of advice from the Head office the matter would be resolved and intimated to Food Department.

The Committee accepted the explanation of the department and **settled the para.**



**121.            Para No.34 Pages 39 of Audit Report for the year 1998-99; Non recovery of incidental charges amounting to Rs.448,065/-.**

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**9.2.2004**        Audit had pointed out that there had been misappropriation of stock during transportation by Abdul Sittar Carriage Contractor.

The Department explained that one Abdul Sattar, a fictitious carriage contractor was involved in this matter against whom a case had been registered which was under investigation. As the Flour Mills where stocks of wheat was sold were involved, the Pak Flour Mills Association made good the Govt. loss voluntarily.

Audit recommended the para for settlement, as recovery had been verified. The Committee therefore, settled the para.

**122.            Para No.35 Pages 39 & 40 of Audit Report for the year 1998-99; Excess expenditure of Rs.50,870/- on transportation of wheat.**

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**11.2.2004**        The Audit had pointed out that during procurement season, the shifting of some quantity of wheat to storage centres other than the nearest ones had resulted in extra expenditure/ loss to Government to the tune of Rs.50,870/-

The Department explained that wheat in question was dispatched to P.R Centre Shergarh instead of Depalpur due to non-availability of storage capacity at Depalpur as 2467.400 M.Ton wheat was already stored there. Regarding the shifting of wheat to P.R 6/4L, against the approved plan, the Department explained in the meeting that the amount of Rs.10,188/- had been recovered and deposited.

The Committee settled the para subject to verification of record/recovery of Rs.10,188/-.

**1.11.2004**        Audit stated that the relevant record had been verified and recommended the para for settlement.

The Committee accordingly settled the para.

**123.            Para No.36 Page 40 of Audit Report for the year 1998-99; Excess expenditure of Rs.166,041/- on transportation of wheat.**

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**9.2.2004**        Audit had pointed out that tender rates for transportation were higher in September 1994, and lesser in January 1995. Due to acceptance of higher tender rates, excess payment of Rs.166,041/- was made to the contractor.

The Department explained that rates for transportation were invited for specific period on center to center basis. The lowest bidder was awarded contract in accordance with policy.

The audit also endorsed statement of the department. The Committee therefore, **settled the para.**

**124. Para No.37 Page 41 of Audit Report for the year 1998-99; Loss of Rs.588,729/- due to undue favour to the contractor and recovery thereof.**

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**10.2.2004** The department explained that the contract was awarded to M/S Ali & Company after observing all the codal formalities and there was no procedural lapse.

The **Committee conditionally settled the para** subject to verification of codal formalities required under the law by the audit.

**125. Para No.38 Pages 41 & 42 of Audit Report for the year 1998-99; Loss of Rs.1,202,190/- due to award of carriage contract at exorbitant rates.**

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**9.2.2004** Audit had pointed out that at different centers contracts were awarded at exorbitant rates for transportation of stock as compared to the rates for the previous years without observing codal formalities.

The department explained that due to emergency wheat transportation had always been given top priority. The contracts were awarded to the lowest bidder after calling fresh tenders through press and observing all the codal formalities as laid down in the Financial Powers Rules 1990 and transport policy which could be verified by audit.

The Committee **conditionally settled the para subject to verification of record by audit.**

**2.11.2004** Audit pointed out that the record relating to sub-para I & II had been seen and verified by Audit. So far as sub-para III was concerned, the Administrative Department did not produce copy of the advertisement and CST.

The Department stated that it was an old case, however, comparative statement had been shown to Audit. As far as advertisement was concerned a copy of noting portion of the file having the date of advertisement and entire detail had been shown to Audit.

Committee observed that if complete details were available then the copy of the advertisement could be hatched, so sub-para-III was kept pending with the direction to produce the requisite record and **sub para I & II were settled.**

**126.            Para No.39.1 Pages 43 & 46 of Audit Report for the year 1998-99; Non realization of penalties valuing Rs.2,992,771/-.**

District Food Controller, Okara-Rs.147,374/-.

**11.2.2004**      Audit had pointed out outstanding recovery of Rs.147,374/- from various contractors on account of penalties imposed upon them for violating contractual obligations.

The Department explained that recovery imposed upon the contractors had been effected.

The Audit verified the contention of the Department during the meeting.

On the recommendation of audit, the **Committee settled the para.**

**127.            Para No.39.2.**

District Food Controller, Okara-Rs.84,226/-.

**11.2.2004**      Audit had pointed out non-realization of penalty of Rs.84,226/- from the contractor for the quantity less transported.

The Department explained that penalty of Rs.18,048/- about less transportation of 2000 M. Tons wheat had been deposited into Govt. treasury and verified by the Audit. As regards the penalty of Rs.27,072/-, the work order was cancelled, hence no recovery was effected. In respect of penalty of Rs.39,106/- it was stated that the work which was to be completed by 31.3.1995 was extended up to 9.4.1995 without penalty by the competent authority.

The Committee kept the para pending except item (i) verified by the audit which was settled and directed that the Department to look into the retrospective extension of the contract and produce the record to audit for verification where required.

**2.11.2004**      The Department explained that so far as the item No. 2 of the para was concerned the contract for lifting of wheat was cancelled and therefore no penalty was due.

The Department further stated that the department had provided evidence of 9666.600 metric tons wheat was lifted and GP-7 had been seen by the Audit and therefore no

penalty was due.

Audit verified the record and accepted the contention of the Department and recommended the para for settlement.

The **para was settled.**

**128.        Para No.39.4.**

District Food Controller, Multan -Rs.228,429/-.

**9.2.2004**        Audit had pointed out that District Food Controller, Multan had imposed a penalty of Rs.228,518/- on M/S Gamzan Enterprises Multan due to less transportation of wheat which was allowed to be refunded on the orders of Deputy Director Food, Multan. The refund was not justified in view of Transportation Policy and Food Directorate letter dated 10.6.1993.

The Department explained that DDF was competent appellate authority to refund the penalty imposed by DFC as per para 35 of Transportation Policy issued vide letter dated 29.4.1993.

The Audit verified the contention of the Department and recommended the para for settlement.

The Committee **settled the para accordingly.**

**129.        Para No.39.5.**

District Food Controller, Rawalpindi-Rs.83,262/-.

**11.2.2004**        Audit had pointed out that penalty was required to be imposed on the contractor as per transportation policy for lifting less stock.

The Department explained that the case actually related to enroute shortage for which necessary recovery had been effected from the contractor i.e. M/S Shahryar Goods and deposited into Govt. treasury which could be verified by audit. The Department further stated that an inquiry was also held in which all Food Department officials were exonerated and the loss was made good. During the course of the meeting audit agreed with the contention of the Department.

The Committee accepted the explanation of the department and **settled the para.**

**130.        Para No.39.6.**

District Food Controller, Muzaffargarh – Rs.138,628/-

**1.11.2004**     Audit had pointed out deviation in transport contract and resulted in excess payment of Rs.138,628/-.

Administrative Secretary explained that there are two aspects of the para, so far as the first part is concerned, first deviation was just because of construction of bridge at site, C&W Department had also confirmed. Secondly, the Deputy Director Food was competent to extend the contract and release of security, therefore, no irregularity was involved in this case and assured that no overpayment was involved.

On the assurance of the Administrative Secretary, the Committee **settled the para.**

**131.        Para No.39.7.**

District Food Controller, Attock-Rs.137,273/-.

**10.2.2004**     The department explained that post audit was carried out after audit observation and according to post audit report no penalty was imposed upon the contractor because he had completed the work of transportation within stipulated period. The Audit stated that relevant report be shown to it.

The Committee conditionally settled the para subject to verification of the record/ relevant document by the Audit.

**2.11.2004**     The Audit pointed out that the Administrative Department was required to explain the reasons for late transportation of wheat i.e. 1.4.1996 instead of 28.3.1996 and non transportation of wheat during the period i.e. 25.4.1996 to 30.4.1996.

Administrative Department explained that performance reports were produced to Audit for verification but the Audit did not accept those reports. However, there was no irregularity and Govt. had sustained no loss.

Finance Department opined that if Administrative Secretary assured that completion of work was within time limit and Govt. had sustained no loss, the para could be settled.

The Committee accepted the explanation of Administrative Department and **settled the para.**

**132.           Para No.39.8.**

District Food Controller, Rajanpur – Rs.984,495/-

**1.11.2004**    The Department explained that the total amount of the para comes to Rs.1,004,697/- instead of Rs.984,495/-. Out of Rs.1,004,697/- a sum of Rs.702,577/- was refunded to the contractors under the orders of competent authority and the remaining balance of Rs.302,120/- had been got recovered through book adjustment.

Departmental contention was supported by the Audit.

On recommendation of Audit, the **Committee decided to settle the para.**

**133.           Para No.40 Pages 46 & 47 of Audit Report for the year 1998-99;  
Loss of Rs.3,140,218/- due to recovery at purchase price instead of recovery  
rate.**

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**11.2.2004**    Audit had pointed out that penalty amount was to be recovered from the contractor for less lifting of stock.

The Department explained that the inquiry had been held against the accused officials on the orders of the Chief Secretary, in which all the officials were exonerated. The case actually related to enroute shortage for which recovery from the contractor had since been effected which was in excess than the loss sustained by the Govt.

The Committee accepted the explanation of the department and **settled the para.**

**134.           Para No.41.1 Pages 43 & 47 of Audit Report for the year 1998-99;  
Loss of Rs.488,850/- Due to Issue of Wheat at Old Rate.**

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District Food Controller, Gujrat – Rs.470,100/-

**1.11.2004**    Audit had pointed out less deposit of sale price.

Administrative Department explained that an amount of Rs.414,150/- had been recovered and got verified by Audit. The balance of Rs.55,950/- was outstanding against Chanab Flour Mills. Case had been sent to EDO(Rev) concerned for recovery as arrears of land revenue.



The Committee **kept the para pending till final recovery.**

**135.           Para No.41.2.**

District Food Controller, Toba Tek Singh-Rs.18,750/-.

**9.2.2004**        Audit had pointed out that refund was allowed to the mill owner for wheat stock supplied, although the rate of wheat had been increased by the Govt.

The Department explained that wheat stocks were issued to flour mills as per Govt. instructions. Therefore, no loss was sustained by the Govt.

The Audit in its latest comments observed that refund allowed to the Mill owner was justified as the enhanced rate was to be charged with effect from the new crop vide Food Department's letter dated 28.3.1996.

The Committee on the recommendation of audit **settled the para.**

**136.            Para No.42 Pages 47 & 48 of Audit Report for the year 1998-99; Non/less deposit of sale proceed of wheat amounting to Rs.29,685,457/-.**

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**11.2.2004**        The Audit had pointed out that there was difference in the amount due to be credited and the actual amount deposited which required that reconciliation of each challan of each scheme with the statement of deposit duly verified by DAO/STO be done.

The Department explained that the relevant record of various PR centers of District Attock had been minutely checked and month wise detail was prepared duly verified by the DAO Attock and therefore the audit observation regarding recovery was not correct. The accounts pertaining to the year 1994-95 had already been reconciled with A.G Punjab. During the meeting the Department further stated that there were many thousand challans and that consolidated statement was available for verification by audit.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**1.11.2004**        Audit had pointed out that certain flour mills/chakies failed to deposit the full cost of wheat resulting in non recovery of Rs.29,685,457/-.

The Department stated that all the amount relating to the para had already been recovered and deposited in the Government treasury.



Departmental contention was supported by Audit.

On recommendation of Audit, the Committee decided to **settle the para.**

**137.        Para No.43.1 Pages 44 & 48 of Audit Report for the year 1998-99; Shortage of wheat/gunny bags valuing-Rs.6,932,665/-.**

District Food Controller, Vehari-Rs.1,803,211/-.

**9.2.2004**        Audit had pointed out that due to shortage of stock recovery of Rs.1,803,211/- was outstanding against 7 officials of the Food Department.

The Department explained that all the officials were no more in Govt. service i.e. either they had been compulsorily retired, or dismissed from the service, therefore, recovery could not be effected from their salaries. In order to effect recovery under Land Revenue Act, demands had been created against them with the concerned District Collectors to proceed further.

The Committee directed the department to refer the case pertaining to the officials involved in this draft para to Anti Corruption Establishment for further action under intimation to PAC.

**The para was kept pending.**

**138.        Para No.43.2.**

District Food Controller, Vehari-Rs.590,940/-.

**9.2.2004**        Audit had pointed out that gunny bags of the Schemes 1976-77 and 1988-89 were recoverable from five officials of Food Department but the same had not been recovered.

The department explained that 4 out of 5 officials had been dismissed from Govt. service. Out of total recoverable amount of Rs.590,940/- a sum of Rs.21,857/- had been recovered from Mr. Iqbal Hussain Mazarri (FGS) and verified by audit. Besides that, demand had been created against the remaining 4 officials with the District Coordination Officer, Vehari to effect recovery from them as arrears of Land Revenue.

The Committee directed the department to refer the case pertaining to the officials

involved in this draft para to Anti Corruption Establishment for further necessary action under intimation to PAC.

**The para was kept pending.**

**139. Para No.43.3.**

District Food Controller, D. G. Khan-Rs.532,455/-.

**11.2.2004** Audit had pointed out that recovery of heavy amounts from various officials of Food Department was due.

The Department explained recovery position as under:-

- i) Recovery of Rs.50,732/- would be made form family pension of Muhammad Khan, AFC (Retd.) who had since died.
- ii) Demand for recovery of Rs.235,055/- as arrears of land revenue had been created with District Collector D.G Khan against Mr. Muhammad Umer (Ex-FGI) who had since retired
- iii) On appeal, Mahboob Ahmad, FGI, was exonerated and recovery of Rs.85,950/- imposed upon him had been deleted.
- iv) demand for recovery of Rs.160,717/- against Khalid Aziz (FGI) with DO(Rev) D.G Khang had been created, who had been dismissed from service.

The Committee settled the item (iii) subject to verification of record by Audit and rest of the para was kept pending with the direction to the Department that family of Muhammad Khan (deceased) be exempted from payment of recovery on compassionate grounds by the competent authority/Finance Department.

**2.11.2004** Administrative Secretary explained item-wise position as follows:-

**1) Muhammad Khan, AFC Rs.50,732/-**

The case for write off sanction had been referred to the Finance Department. The final reply was still awaited.

**2) Mr. Khalid Aziz, FGI Rs.160,717/-**

Recovery had been imposed as arrear of land revenue.

The remaining parts of the para had already been settled by the PAC in its meeting dated 11.2.2004.

**The para was kept pending with the direction to effect recovery within 60 days.**

**140.         Para No.43.4.**

District Food Controller, Rajanpur-Rs.883,530/-.

**9.2.2004**         Audit had pointed out that Bardana of Rs.883,530/- was still recoverable from various officials of Food Department.

The department explained that recoverable amounts in respect of items no.1,2,4, and 5 had been effected and verified by audit. Recovery in respect of item No.3 had been effected after auction of 6592 D-class bags and the authority i.e. DDF, D.G. Khan had exonerated the official from the charge. The amount had been deposited into Govt. treasury which could be verified by audit.

Audit in its latest comments stated that items No.1, 2 and 5 had already been settled in SDAC meeting held on 29.9.1999. Audit further stated that approval of declassification order, exoneration of accused official and deposit of auction proceeds of Rs.6,592/- against item No.3 had been seen and verified. However, audit wanted to see record in respect of item 4.

The Committee settled the para subject to verification of record by Audit.

**1.11.2004**         The Department explained that item No 1,2,3 & 5 had already been got verified by Audit and settled in the meeting of PAC-I dated 09.02.2004. As regards item No 4, original treasury challan for Rs.2,000/- had been produced and got verified by Audit.

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

**141.         Para No.43.5.**

District Food Controller, Vehari - Rs.244,013/-.

**9.2.2004**         Audit had pointed out that bardana against center incharges of various centers was recoverable.

The Department explained that accountal of 4493 jute bags and 166 PP bags already existed in inventory account of respective centres. Out of remaining 900 jute bags,

**142. Para No.43.6.**

**10.2.2004** The Audit had pointed out that bardana viz 16693 D-class bags was recoverable from field staff posted at PR center Rajanpur and cost thereof amounting to Rs.751,185/- was recoverable by treating the bags as “A” class because no proper sanction of competent authority was obtained regarding declassification of bags.

The Committee kept the para pending till the realization of total recovery.

1)	Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246)	<b>Convener</b>
2)	Pir Kashif Ali Chishti, MPA (PP-231)	Member

**143. Para No.43.7.**

**11.2.2004** Audit had pointed out that 42749 A class bags were recoverable from field staff posted at PR center Jampur and Rajanpur, which had not been refunded by them.

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the position with regard to declassification of some bags, auction of certain quantities of bags, recoveries due from and inquiries pending against various officials and requested the Committee to keep the para pending.

The Committee kept the para pending accordingly and directed the Administrative Secretary to look into all the matters and initiate disciplinary proceedings as deemed appropriate against the defaulters under the Rules.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) ***Convener***
- 2) Pir Kashif Ali Chishti, MPA (PP-231) **Member**

The para was kept pending.

**144. Para No.43.8.**

District Food Controller, Khanewal-Rs.203,626/-.

**9.2.2004** The Department explained that recovery of Rs.203,626/- on account of bardana had been made, and verified by Audit.

The Committee on the recommendation of audit **settled the para.**

**145. Para No.44.1 Pages 44 & 49 of Audit Report for the year 1998-99; Non/less recovery of Rs.575,854/- on account of income tax and out standing balances.**

District Food Controller, Okara-Rs.52,432/-.

**11.2.2004** The Department explained that recovery of Rs.44194/- on account of income tax had been effected while balance recovery of Rs.8,238/- was not due as the payment of transportation charges had been made to the farmers through purchase bills.

The Audit verified the contention of the Department.

On the recommendation of audit, the **Committee settled the para.**

**146.         Para No.44.2.**

District Food Controller, Multan-Rs.61,777/-.

**9.2.2004**         Audit had pointed out that the withholding tax was required to be deducted @ 5% instead of 3% from the contractors which resulted in less recovery of Rs.61,777/-.

The Department explained that the instant contractors were for the supply of labour and not for rendering services and the rate of deduction of withholding tax from such contractors was 3% instead of 5% during 1994-95 when the payment was made. The audit verified the contention of the Department.

On the recommendation of audit, the **Committee settled the para.**

**147.         Para No.44.3.**

District Food Controller, Rajanpur – Rs.34,655/-

Audit had pointed out that Income Tax was not deducted at source.

**1.11.2004**         The Administrative Secretary explained that income tax was required to recover @ 2.5% prevailing at that time instead of 3.5%. Accordingly, amount was worked out to the tune of Rs.24,147/-.

The said amount had been recovered and got verified by Audit.

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

**148.         Para No.44.4.**

District Food Controller, Rajanpur-Rs.412,954/-.

**9.2.2004**         Audit had pointed out that recovery of Rs.412,954/- was outstanding against three officials since long.

The Department explained that recovery was outstanding against 3 officials of the department. Mr. Rifaqat Ullah, FGI, had been dismissed. His conviction and sentence were set

aside and he was acquitted as per verdict of High Court. The Department was of the view that recovery did not stand recoverable from him. The case for recovery in respect of the two other officials as arrears of land revenue was being pursued with the concerned Tehsildars.

The Department further explained that there was shortage of staff and only 3 Tehsildars were deployed who were quite inadequate for the purpose.

The Committee directed the department to request the District Government to provide requisite help in effecting the recovery and that the Department should also demand special recovery staff from the Government.

The para was kept pending with the direction that Department should adopt effective measures to ensure recovery at the earliest.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) *Convener*
- 2) Pir Kashif Ali Chishti, MPA (PP-231) Member

The **para was kept pending.**

#### **149.        Para No.44.5.**

District Food Controller, Sargodha-Rs.14,036/-.

**9.2.2004** The Department explained that the recovery of Rs.14,036/- on account of deduction of Income Tax had been made and deposited into Govt. treasury which was also verified by audit.

The Committee, therefore, **settled the para.**

#### **150.        Para No.45.1 Pages 45, 49 & 50 of Audit Report for the year 1998-99; Loss of Rs.24,457,994/- due to sale of bardana to flour mills at lower rates.**

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District Food Controller, Vehari-Rs.3,732,261/-.

**9.2.2004** Audit had pointed out that according to Govt. instructions, the cost of B-Class gunny bags was to be worked out @20% less than the cost of A Class gunny bags. During 1994-



95 and 1995-96, the cost of A Class gunny bags was Rs.35/-, therefore, price of B-Class gunny bags had to be Rs.28/- while 287097 B-Class gunny bags were sold to flour mills @ Rs.15 each, which resulted in a loss of Rs.3,732,261/-.

The Department explained that the audit had been referring to Govt. instructions issued in 1972, which did not apply to the para. The bags were issued to flour mills according to the rate fixed by Food Directorate Punjab vide letter dated 25-9-1995. Hence no irregularity was committed. The Audit conceded in the meeting that the Department's reply was satisfactory.

The Committee in view of department's contention **settled the para.**

**151.           Para No.45.2.**

District Food Controller, Sheikhpura-Rs.15,862,282/-.

**10.2.2004**       The department explained that the rate of B Class bardana was worked out Rs.15/- per bag in accordance with the rate fixed by the Govt. during 1995-96 vide letter issued by Punjab Food Directorate and Rs.25/- per bag during the period 1996-97. The rates were issued according to the Govt. policy, therefore, there was no deviation while working out bardana rates. The letter dated 13.3.1972 as quoted by the Audit was not applicable to such schemes.

The Committee accepted the explanation of the department and **settled the para.**

**152.           Para No.45.3**

District Food Controller, Khanewal-Rs.3,599,908/-.

**10.2.2004**       The Department explained that wheat was released to the flour mills in accordance with the instructions of the Govt. of the Punjab Food Department.

On the recommendation of the audit, the Committee **settled the para.**

**153.           Para No.45.4**

District Food Controller, Toba Tek Singh-Rs.1,263,543/-.

**9.2.2004**       Audit had pointed out that B-class bags were sold to flour mills at lesser rates than the rates to be worked out @20% less than the cost of A-Class gunny bags in violation of government instructions.

The Department explained that all the wheat stock pertaining to 1995-96 scheme was sold in terms of Food Directorate letter dated 25-9-1995, whereas Audit had mistakenly mentioned the sale of wheat of Rajana Centre as 1994-95. The cost of 55 bags relating to flag centre Phelour amounting to Rs.605/- had been deposited into government treasury.

Audit in its latest comments verified the contention of the Department.

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

**154. Para No.46.1 Pages 45, 50 & 51 of Audit Report for the year 1998-99; Loss of Rs.167,695/- on account of irregular/unjustified payment of house rent allowance.**

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District Food Controller, Faisalabad-Rs.53,707/-.

**11.2.2004** The Department explained that the recoverable amount was Rs.29,556 and not Rs.53,707/- as pointed out by audit, which had been deducted from the pay bills of the allottee namely Mr. Javaid Ahmad Qureshi, Storage Officer. Other officers/officials pointed out by audit i. e. Rao Muhammad Tauheed, ADF and Mr. Khalid Ahmad, Assistants were not allotted Govt. accommodation, they stayed there off and on. Hence, the question to deduct house rent from their salaries did not arise.

The Committee accepted the explanation of the department and **settled the para.**

**155. Para No.46.2.**

District Food Controller, Rajanpur – Rs.<sub>113,988</sub>/-

**1.11.2004** The Department explained that Secretary Food Punjab Lahore had accorded sanction for temporary re-appropriation of Chowkidari quarters for use of office and record room vide his letter No. SOF-VIII/7-12/2003 dated 13.1.2004.

Audit pointed out that the relevant record had been verified and the para recommended for settlement.

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

**156. Para No.47.1 Pages 45 & 51 of Audit Report for the year 1998-99; Irregular payment of Rs.4,308,437/- on account of octroi and handling**

**charges.**

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District Food Controller, Attock-Rs.2,956,668/-.

**11.2.2004** Audit had pointed out that transportation of wheat stood exempted from Octroi charges under the Punjab Octroi Rules, whereas such charges were remitted to the PLA of Administrator during the entire period under audit unauthorizedly.

The Department explained that the notification dated 22.10.1969 was not being interpreted correctly by the Audit. As per this notification the Food Department was liable to pay Octroi charges in respect of wheat quantity issued to the flour mills situated within the limits of Municipal Committee.

The Committee conditionally settled the para subject to verification of record by audit.

**2.11.2004** The Department explained that the relevant record had been produced for verification.

Audit stated that the department did not produce the name of Flour Mills, their location and the location of centres from which the wheat was supplied.

The Committee **settled the para subject to verification of record by Audit.**

**157.        Para No.47.2.**

District Food Controller, Jhelum-Rs.1,207,268/-.

**11.2.2004** Audit had pointed out that Rs.1,207,268/- was paid as Octroi charges through I/C bills in violation of the Octroi Rules because the Govt. property was exempt from payment of such charges.

The Department explained that as per notifications issued by the Local Govt. & Rural Development department and Directorate of Food Department, the payment of Octroi Charges was to be made by the Food Department. It was further stated that there was shortage of wheat in Jhelum and it was provided from Khewera and Sohawa Town Committees due to emergency. The Octroi was paid to Municipal Committee Jhelum. The relevant record was available which could be verified by Audit.

The Committee conditionally settled the para subject to verification of record by Audit.

**2.11.2004** Audit stated that the Department was required to effect recovery of Octroi Charges amounting to Rs.56,170/- on account of wheat supplied to Flour Mills situated in the limit of Municipal Committee.

Administrative Secretary did not agree with the contention of Audit and explained that wheat was not supplied directly to the private Mills. It was supplied from one Government Department to another Department i.e. Government to Government transaction.

Representative of Finance Department observed that Audit may verify that whether the wheat was directly supplied to Flour Mills from other municipality or supplied from the Government store.

The Committee directed the Department to get re-verified relevant record by Audit and the **para was kept pending.**

**158.            Para No.47.3.**

District Food Controller, Rajanpur-Rs.144,501/-.

**10.2.2004** Audit had pointed out that award of what handling contract by accepting different and higher rates within same district at various P.R Centers even with the same contractor was irregular.

The Department explained that all the codal formalities were observed, tender notice was published in the National Press and competitive lowest rates were approved by DDF for which he was fully competent as per Handling Policy approved by the Government. The observation of audit was not correct and no irregularity was committed.

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

**159.            Para No.48.1 Pages 52 & 53 of Audit Report for the year 1998-99; Overpayment of Rs.136,127/- On Account of Transportation Charges.**

District Food Controller, Attock – Rs.71,028/-

**1.11.2004** The Audit had pointed out loss due to overpayment of transportation charges.

The department contented that the letter dated 28.3.1996 was issued to rectify the omission but the same was not produced along with original record.

Committee observed that the matter pointed out by Audit was merely of difference of rates and directed that the relevant record be produced to Audit for verification.

With the above directions, the **para was kept pending.**

**160.            Para No.48.2 Pages 52 & 53 of Audit Report for the year 1998-99;  
Overpayment of Rs.136,127/- on account of transportation charges.**

District Food Controller, Khanewal-Rs.65,099/-.

**11.2.2004**      Audit had pointed out overpayment with reference to delivery charges.

The Department explained that excess payment pointed out by audit had been recovered and deposited into Govt. treasury.

The Committee conditionally settled the para subject to verification of the record/ purchase bills by audit.

**1.11.2004**      The Department stated that the purchase bill (Form-2) with last payment certificate issued by the Bank and the procurement policy had been produced to Audit for verification.

The Audit stated that contention of the Department had been verified from the procurement policy and recommended the para for settlement.

The committee accordingly **settled the para.**

**161.            Para No.49.1 Pages 52, 53 & 54 of Audit Report for the year 1998-99;  
Irregular/unjustified payment of Rs.2,847,041/-.**

District Food Controller, Attock-Rs.1,835,534/-.

**11.2.2004**      Audit had pointed out that huge amount of Rs.1835534/- was drawn from treasury and recorded as paid to the Secretary Market Committee, Hassanabdal and Hazroo without obtaining sanction from the competent authority.

The Department explained that the para involved two issues. With reference to

prior approval, the case for ex-post facto sanction of Rs.1,835,530/- had been referred to the competent authority. In so far as payment of market fee at both sides i.e. receipt and sale of wheat was concerned, the AAO of Divisional Office had been directed to hold inquiry and fix responsibility.

The para was kept pending.

**162. Para No.50 Page 54 of Audit Report for the year 1998-99;  
Overpayment of pay and allowance Rs.39,764/-.**

**9.2.2004** Audit had pointed out overpayment of Rs.39,763.87 which was made under the head of pay, conveyance allowance, other allowances, fixation of pay, and TA, DA and had suggested recovery from the concerned persons.

The Department explained that recovery had been effected and deposited into Government treasury. Audit verified the contention of the department.

The Committee, therefore, **settled the para.**

**163. Para No.51.1 Pages 55 & 57 of Audit Report for the year 1998-99;  
Non production of wheat procurement/receipt record involving doubtful  
expenditure of Rs.84,204,495/-.**

District Food Controller, Muzaffargarh-Rs.63,241,590/-.

**11.2.2004** The Department explained that the relevant record was available for verification.

The Committee conditionally settled the para subject to verification of relevant record by the Audit.

**2.11.2004** The Committee took serious notice of the huge embezzlement and corruption cases and decided to constitute a Sub-Committee comprising of the following:-

- 1) Sardar Muhammad Yousaf Khan Leghari, MPA (PP-246) **Convener**
- 2) Pir Kashif Ali Chishti, MPA (PP-231) **Member**

The para was kept pending.

**164. Para No.51.2.**

District Food Controller, Khanewal-Rs.20,962,905/-.

**11.2.2004** Audit had pointed out non production of record involving an amount of Rs.20,962,905/-.

The Department explained that the record was available for verification. The **Committee conditionally settled the para subject to spot verification of record by audit.**

**165. Para No.52 Pages 57 & 58 of Audit Report for the year 1998-99; Voucher valuing Rs.3,186,485/- not produced regarding transportation, electricity and octroi charges etc.**

**11.2.2004** Audit had pointed out that amounts were drawn from Govt. treasury for payment of I/C bills but necessary vouchers along with sanction by the competent authority were not produced to Audit.

The Department explained that according to certificate issued by the District Audit officer, Attock, verification from the original record had been made and it was found that no amount was drawn at dispatching end for the payment of transportation charges and wheat was transported directly by the Flour Mills.

The Committee accepted the explanation of the department and **settled the para.**

**166. Para No.53.1 Pages 55 & 58 of Audit Report for the year 1998-99; Non production of log books and vouchers involving Rs.6,160,521/- pertaining to POL and carriage charges.**

District Food Controller, Toba Tek Singh-Rs.79,470/-.

**10.2.2004** The Department explained that the logbook of vehicle No. LHG-6741 was maintained properly, but the new vehicle No. TSB-2566 along with log book of old/new jeep was robbed in a dacoity attempt on 23.1.1999 for which FIR had been lodged. Owing to this reason relevant log books could not be produced to Audit.

The Committee conditionally settled the para subject to regularization/exemption by the Finance Department regarding the production of logbook.

**1.11.2004** The Department stated that the case had been referred to Finance Department regarding exemption for production of log books, but the same had not been received so far.

The Committee **kept the para pending for regularization/exemption for production of log book by the Finance Department.**



**167.        Para No.53.3.**

District Food Controller, Jhelum-Rs.362,807/-.

**9.2.2004**        Audit had pointed out that payment was made to the contractor on account of carriage charges of wheat through 1/C Bill but the same was not available at the time of audit.

The department explained that the relevant record had been got verified by audit.

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

**168.        Para No.53.4.**

District Food Controller, Multan-Rs.1,919,154/-.

**11.2.2004**        Audit had pointed out that temporary Chowkidars were appointed but acquaintance rolls in this regard had not been produced to Audit. Moreover, the appointments of temporary Chowkidars alongwith 103 permanent Chowkidars was not justified.

The Department explained that the acquaintance rolls were available for verification by audit. Moreover, temporary Chowkidars were engaged/appointed in accordance with criteria issued by Food Directorate Punjab, Lahore vide letter dated 22-9-1984.

The Committee conditionally settled the para subject to verification of record/acquaintance rolls and Govt. policy by audit.

**1.11.2004**        Audit had pointed out that temporary Chowkidars were appointed but acquaintance rolls had not been produced to Audit.

The Department stated that the relevant record had been verified by the Audit.

Departmental contention was supported by Audit.

The **Committee accordingly settled the para.**

**169.        Para No.54.1 Pages 55, 58 & 59 of Audit Report for the year 1998-99; Non production of record in support of expenditure amounting to Rs.53,608,400/-.**

District Food Controller, D. G. Khan-Rs.44,676,348/-.

**10.2.2004** The Department explained that due to procurement period at the relevant time the record could not be shown to audit which was available for verification by Audit. It was further stated that Muhammad Umar Baitoo the then Incharge Center shadan Lund for scheme 1994-95 had been proceeded against under the Removal from Service Ordinance 2000.

The **Committee conditionally settled the para subject to verification of record by Audit.**

**170.        Para No.54.2.**

District Food Controller, Okara-Rs.6,000,000/-.

**10.2.2004** The Audit had pointed out that GP-7 by the recipient center for dispatching 200 tarpaulins was not shown to audit.

The Department explained that the said record had been obtained from the recipient center Muzaffargarh and shown to audit. The audit verified the contention of the Department.

On the recommendation of audit the **Committee settled the para.**

**171.        Para No.54.3.**

District Food Controller, Okara-Rs.615,400/-.

**10.2.2004** Audit had pointed out that amount was transferred through book adjustment to Buildings Department for report of godowns but vouched account was not shown to audit.

The Department explained the details of allocation and expenditure provided by the Executive Engineer, Provincial Buildings Division, Okara.

In its comments the audit stated that running bills/vouched accounts relating to Deposit works had been produced by the Department after obtaining from the Building Department which had been seen.

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

**172.        Para No.54.4.**

District Food Controller, Sialkot-Rs.2,316,652/-.

**11.2.2004** The Audit had pointed out that payment of Rs.23,16,652/- was made to the

contractors on account of repair of godowns, and security deposit @ 5% was also not deducted but the relevant record in support of the expenditure made was not produced to the Audit.

The Department explained that the repair work was executed by PASSCO vide agreement dated 5.5.1994. The relevant record as pointed out by the Audit was with PASSCO authorities, hence Food Department was not in a position to show the said record.

Finance Department observed that notwithstanding the fact that PASSCO was a Federal agency whose audit was being done at Federal level, the Food Department should take up the matter and convey the comments/view point of audit to PASSCO for further action with a view to resolving the matter.

The Committee kept the para pending with the direction that the Department should take up the matter viz-a-viz audit observations with PASSCO under intimation to PAC.

**1.11.2004** The Department stated that relevant record had been produced to Audit for verification.

The Audit verified the departmental contention and recommended the para for settlement.

**The Committee settled the para.**

**173.        Para No.54.5 .**

District Food Controller, Attock

**11.2.2004** Audit had pointed out non production of dispatching documents of various centers i.e. (GP-6) to check/verify the actual dispatches and comparison thereof with actual receipts. Thus there was apprehension of misappropriation of wheat.

The Department explained that the dispatching documents i.e. (GP-6) in respect of dispatching ends as pointed out by audit had been collected in original and was ready for verification. They also requested that photo copies of the record duly attested by the DFCs be accepted by the Audit.

The Committee **conditionally settled the para subject to verification of record by audit.**

**2.11.2004** The Administrative Department explained that the record had been received from the concerned and was available for verification.

The **Committee reiterated its previous decision.**

**174. Para No.55 Page 59 of Audit Report for the year 1998-99; Doubtful expenditure of Rs.188,210/-.**

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**10.2.2004** The Department explained that temporary arrangements including construction of tharajaat at the Flag/PR Center was done due to increase in the procurement and for the storage of purchased wheat in the best interest of the Govt. Tharajaat were repaired according to the target approved at district level by the Government. The Department further stated that the record in support of its contention was ready for verification.

The Committee settled the para subject to verification of the record/orders of the competent authority by the Audit.

**1.11.2004** Audit stated that the record had been verified and recommended the para for settlement.

The committee accordingly **settled the para.**

### **Audit Paras (Revenue Receipts) for the year 1998-99**

**175. Para No.5.1 (5018) Page 65 of Audit Report for the year 1998-99; Depriving government of revenue from sugarcane (development) cess through bogus treasury challans-Rs.2,716,606/-.**

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**9.2.2004** Audit had pointed out that a Sugar Mill furnished six bogus treasury challans showing deposit of sugarcane (Development) cess. Resultantly, an FIR was lodged against the mill management in June 1996. Although, the amount involved in this para had been deposited by the Mill Management, yet even after lapse of seven years progress in the criminal case, against the Mill Management was still awaited.

The Department explained that the draft para comprised two parts. The first part related to recovery of Rs.27,16,606/- which had since been effected. The second part related to criminal case registered against the previous mills management which was under investigation. The police authorities had been reminded a number of times for early disposal of the case but no progress had taken place so far.

The Committee directed the department to vigorously pursue the case and convey directions of PAC to the concerned police authorities to complete investigation expeditiously and inform PAC of the progress made in the regard.

The para was kept pending.

**1.11.2004** The Department stated that the case was taken up with DPO Rajanpur who had informed that the culprit namely Mr. Jamil Aziz Abdi was an absconder and had left abroad. However, amount due had been recovered and deposited into Government Treasury and got verified by the Audit.

Audit opposed settlement of the para till outcome of court case pending against the accused.

Finance Department was of the view that since the amount in question had been recovered and audit had verified, therefore, para could be settled.

In view of the explanation of the Department and recommendation by Finance Department, the Committee decided to **settle the para.**

**176. Para No.5.3 (5014) Page 67 of Audit Report for the year 1998-99; Blockage of sugarcane (development) cess due to misinterpretation of court's interim judgement-Rs.93,869,077/-.**

**9.2.2004** Audit had observed that in a suit filed by the Mill management, the recovery of sugarcane cess was not stayed by the High Court. The Mill Management deposited the amount in installments but the Department did not impose penalty for late payment of cess.

The Department explained that imposition of penalty was not mandatory but discretionary under the rules. It was further explained that deposit of cess through installments was covered under an agreement made with the Mill owners who were allowed to clear arrears of Sugarcane (Development) Cess in installments.

The Committee directed the Department to produce the requisite agreement and pended the consideration of the para till 10-2-2004.

On 10-2-2004, the department produced the copy of the minutes of the meeting held on 11-1-1999, containing the agreement regarding payment of cess in installments.

The Audit verified the contention of the Department and the Committee **settled the para.**

**177. Para No.5.2 (5022 & 5023) Page 66 of Audit Report for the year 1998-99; Short-realization of sugarcane (development) cess-**

**Rs.174,613/-.**

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**9.2.2004**      Audit pointed out that the cess was less paid than actually due, which resulted into short realization of Rs.1,74,613/-.

The Department explained that as per the advice furnished by Law Department additional/enhanced price paid to the sellers as incentive to the growers could be made part of support price. It was further explained that a para of similar nature relating to Audit Report for the year 1997-98 was settled in the meeting of PAC held on 18 and 19 March 2002 in the light of Law Department aforesaid advice. The contention of the Department was verified by the Audit.

On the recommendation of audit, the Committee **settled the para.**

### **General Directions**

**11.2.2004**      The Committee during the course of the meeting observed that majority of draft paras either required verification of record or regularization/write off by competent authority, which in most of the cases was not done resulting in inordinate delay in settlement of audit observation etc. The Committee directed that instructions be issued to all administrative Departments as under:-

- i)            to give due priority to audit and inspection reports and for taking prompt action for settlement of audit observations.
- ii)          To furnish progress about all cases referred to NAB and Anti corruption on its directions since September 2003 pertaining to various draft paras.

The Committee examined the Accounts of the Forestry, Wildlife, Fisheries & Tourism Department in its meeting held on 1.7.2002, 13.11.2003, 14.11.2003, 15.11.2003, 3.9.2004, 4.9.2004, 11.2.2005 and 12.2.2005 and made the following recommendations:-

## **WILDLIFE DEPARTMENT**

### **Audit Paras (Civil) for the year 1998-99**

#### **1.                Para No.1 Page 8 of Audit Para for the year 1998-99; Loss of Rs.160,000/- due to theft of vehicle No.LOT-3648 (MAZDA CAR).**

**13.11.2003**    The Department explained that inquiry was conducted into the matter and as per inquiry report the Competent Authority awarded the penalty of censure to Assistant Director while the Driver was exonerated. So far as late registration of FIR was concerned, the registration book was also stolen along with the vehicle and retrieval of the record took five days from the concerned branch. However, Finance Department was being approached for writing off the loss.

The Committee settled the para subject to writing off the loss by the Finance Department.

**4.9.2004**        The Department explained that the case had since been referred to Finance Department for write off sanction which was under process.

The para was kept pending till decision by Finance Department

**11.2.2005**      The Audit explained that the department had produced the write off sanction of Rs.160,000/- issued by the Finance Department and the same had been verified by the Audit.

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

#### **2.                Para No.2 Page 10 of Audit Para for the year 1998-99; Irregular expenditure of Rs.66,659/-.**

**13.11.2003**    The Audit had pointed out that the Department spent a sum of Rs.66,659/- on purchase and repair of different items but the items were not properly accounted for in the relevant stock registers.

The Department explained that the relevant record had been shown to Audit. Partial recovery had been made and remaining was under process from the concerned.



The Committee settled the para subject to recovery and its verification by the Audit.

**4.9.2004** The Audit verified that the balance recovery of Rs.5,541/- had been effected by the Department.

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

**3. Para No.3 Page 10 of Audit Para for the year 1998-99; Irregular/doubtful expenditure of Rs.4,614,000/- on printing of publicity material beyond competency.**

**13.11.2003** The Audit pointed out that an irregular/doubtful expenditure of Rs.4,614,000/- on printing of different articles of publicity was incurred beyond the competency.

The Department explained that the para related to the expenditure of four financial years from 1994 to 1998. Record relating to 1997-98 worth Rs.1,873,438/- had been verified by the Audit. However, a case for regularization of the expenditure pertaining to the years from 1994 to 1997 was under process for submission to the Finance Department which would be finalized within three months.

The Committee was not satisfied with the explanation of the Department and directed that an inquiry should be held to ascertain the facts and to fix the responsibility for the irregularities within three months.

The para was kept pending.

**4.9.2004** The Department stated that inquiry into the matter had since been held and the matter would be finalized soon.

The Committee directed that the Department should finalize the matter within 60 days under intimation to PAC.

The para was kept pending.

**11.2.2005** The Department explained that the record of expenditure amounting to Rs.1,873,438/- had already been verified by Audit.

Whereas a case for regularization of Rs.865,000/- was under process with the Administrative Department. So far as the remaining expenditure of Rs.1,875,568/- was

concerned, the inquiry officer had held responsible M. Nawaz Wattoo, the then Deputy Game Warden and recommended the recovery of Rs.1,016,000/-.

The Department was directed to get the expenditure amounting to Rs.865,000/- regularized from the competent authority and to effect recovery of Rs.1,016,000/- from the defaulters at the earliest. The **para was kept pending.**

**4.                Para No.4 Page 11 of Audit Para for the year 1998-99; Irregular expenditure of Rs.302,250/- on printing of charts (Calendar 1995) beyond competency).**

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**13.11.2003** The Audit had pointed out that an irregular expenditure of Rs.302,250/- on printing charges (Calendar 1995) was incurred beyond the competency and without inviting the tenders through press.

The Department explained that the tenders were not floated and purchases were made through quotations. The disciplinary action against the responsible persons was under process.

The Committee was not satisfied with the explanation and directed that an inquiry should be held to ascertain the facts and to fix the responsibility for irregularities within three months.

The para was kept pending.

**4.9.2004** The Department stated that an inquiry was held, however, the matter was still under process.

The Committee directed that the matter be finalized within one month.

The para was kept pending.

**11.2.2005** The Department explained that pursuant to the direction of the PAC an inquiry had been conducted and as per findings of the inquiry, Mr Muhammad Nawaz Wattoo, the then Deputy Game Warden Publicity & Research Cell had been held responsible and recovery from the accused had been recommended.

The Department was directed to finalize the necessary action at the earliest and **para was kept pending.**

**5.                Para No.5 Page 11 of Audit Para for the year 1998-99; Irregular/**

**Doubtful expenditure of Rs.318,000/- on installation of 12 Hoarding Boards beyond competency.**

**13.11.2003** The Audit had pointed out that an irregular/doubtful expenditure of Rs.318,000/- was incurred on installation of 12 Hoarding Boards beyond the competency.

The Department explained that the purchases were made without inviting the tenders and disciplinary actions against the responsible persons was under process.

The Committee directed that the inquiry and action against the responsible persons be completed within three months.

The para was kept pending.

**4.9.2004** The Department stated that an inquiry was held, however, some more time was required to finalize the case.

The Committee directed that the matter be finalized in 30 days under intimation to PAC.

The para was kept pending.

**11.2.2005** The Department explained that pursuant to the direction of the PAC an inquiry had been conducted and as per findings of the inquiry, no irregularity was committed by the then Deputy Game Warden. Accordingly a case for regularization was forwarded to the Finance Department and action was still awaited.

The Department was directed to finalize the necessary action at the earliest and **para was kept pending.**

**6. Para No.6 Page 12 of Audit Para for the year 1998-99; Irregular purchase of furniture worth Rs.41,410/-.**

**13.11.2003** The Audit had pointed out that irregular purchase of furniture worth Rs.41,410/- was incurred without fulfilling the codal formalities.

The Department Explained that the purchases were made in emergency for the office use of the then Minister for Wildlife and Fisheries in the Wildlife Complex. The same purchases were made in good faith from the sanction budget of the Deptt. for the year 1994-95. No budget was utilized over and above the sanctioned allocation and the furniture had been properly entered

in the stock register. However, the expenditure was being got regularized by the competent authority.

The Committee settled the para with the direction that the expenditure be regularized from the Finance Department.

**4.9.2004** The Department stated that the case for regularization was submitted to Finance Department which had desired for fixing responsibility for the irregularities. The Department further stated that both the officers, who were found responsible had since retired and one of them had died, therefore, no action under E&D Rules could be taken.

Finance Department observed that it would consider the case for regularization in the light of Departmental clarification.

The Committee observed that the Department should resubmit the case to Finance Department.

The para was kept pending.

**11.2.2005** The Department explained that a case had been referred to the Finance Department for regularization of the expenditure.

**The para was settled subject to regularization by the Finance Department.**

**7. Para No.7 Page 12 of Audit Para for the year 1998-99; Irregular expenditure of Rs.839,400/- beyond competency.**

**13.11.2003** The Audit had pointed out that an irregular expenditure of Rs.839,400/- was incurred beyond the competency and without fulfilling the codal formalities.

The Department explained that the para was discussed in the SDAC in its meeting held on 26.4.2000 and the para was settled.

The Committee accepted the explanation of the Deptt. and **settled the para.**

**8. Para No.8 Page 14 of Audit Para for the year 1998-99; Un-authorized/irregular payment of Rs.96,500/- on account of purchase of birds and**

**loss of approximately Rs.27,000/- in this purchase.**

**13.11.2003** The Audit had pointed out that an un-authorized/irregular payment of Rs.96,500/- was made on account of purchase of Birds and thus the Government sustained a loss of Rs.27,000/-.

The Department explained that all the record had been verified by the Audit.

The Audit recommended the para for settlement.

The para was settled.

**9. Para No.9 Page 16 of Audit Para for the year 1998-99; Recovery of Rs.2,618,420/- due to record not produced.**

**13.11.2003** The Audit had pointed out that recovery of Rs.2,618,420/- was due from the Department as the record for the period of 1993-94 was not produced to the Audit intentionally.

The Department explained that the then Cashier Mr. Abuzar Jaffry removed the record and after departmental inquiry, FIR No. 386/2002 dated 17.7.2002 had been registered against him and the case was under process in the Court of Special Judge Anti Corruption, Lahore. The next date of hearing was 15.11.2003.

The Committee directed that the case be pursued vigorously.

The para was kept pending.

**4.9.2004** The Department stated that the case against ex-cashier Abuzar Jaffry, who had since been removed from service, was being pursued in Anticorruption Court, however, reportedly he had gone abroad.

On a query by Audit about involvement of Alamdar Hussain and Mr. Nawaz Wattoo, the Department clarified that two different cases had been lodged. However, in the instant case, only Mr. Abuzar Jaffry, the then Cashier was involved.

Finance Department observed that in addition to criminal action, departmental action should also be taken against the accused.

The Committee directed that the Department should write to Anti Corruption Establishment for the arrest of all the accused and finalization of the cases.

The para was kept pending.

**11.2.2005** The Department explained that case was under adjudication with the Senior Civil Judge, Anti Corruption, Lahore, the court had declared Mr Abuzar Jaffery Ex-Cashier as proclaimed offender who had since been dismissed from service. The D.P.O, Lahore had been requested to arrest the accused.

The Department was directed to pursue the cases vigorously in the court of Anti Corruption Establishment Judge and **para was kept pending.**

### **FISHERIES DEPARTMENT**

#### **Audit paras (Civil) for the year 1998-99**

**10. Para No.1.1 Pages 6 & 7 of Audit Report for the year 1998-99; Misappropriation of Rs.60,671/- through doubtful purchase of POL.**

**Assistant Director Fisheries, Khushab-Rs.30,375/-.**

**14.11.2003** The Department explained that the Audit had verified the log books and relevant record and recommended the para for settlement.

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

**11. Para No.1.2.**

**Deputy Director Fisheries, Rawalpindi Division-Rs.30,296/-.**

**14.11.2003** The Department explained that the Audit had verified all the relevant record and recommended the para for settlement.

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

**12. Para No.2 Page 7 of Audit Report for the year 1998-99; Non-auction of water area and misappropriation of fish costing Rs.320,000/-.**

**14.11.2003** The Audit commented that the para was settled in SDAC meeting dated 28.4.1998.

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

**13.                    Para No.3.1 Pages 6 & 8 of Audit Report for the year 1998-99; Loss of Rs.387,603/- due to doubtful issue of fish.**

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**Assistant Director Fisheries, Bahawalnagar-Rs.255,653/-.**

**14.11.2003**     The Department explained that the actual recoverable amount of Rs.3,415/- had been recovered from the concerned officials and deposited in the Government Treasury.

The Audit verified the contention of the Department. The **para was settled.**

**14.                    Para No.3.2.**

**Assistant Director Fisheries, Sialkot-Rs.131,950/-.**

**14.11.2003**     The Department explained that all the relevant record had been verified by the Audit. The Audit recommended the para for settlement.

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

**15.                    Para No.4 Page 11 of Audit Report for the year 1998-99; Excess over budget allotment amounting to Rs.78,912/-.**

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**14.11.2003**     The Department explained that this para related to the Appropriation Accounts which had already been settled by the PAC.

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

**16.                    Para No.5 Page 11 of Audit Report for the year 1998-99; Irregular expenditure of Rs.115,697/- on account of old liabilities met out of next year's budget.**

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**14.11.2003**     The Department explained that the funds were provided by FD to purchase a computer with Lazer Printer and UPS etc. and repair of vehicles through SNE 1995-96 under grant No.10-GA. Accordingly the computer was purchased during the same financial year and the bill was submitted to AG, Punjab on 26-6-1996 on which a cheque was issued dated 27-6-1996 to DDO and the said payment was taken on the cash book of DDO in the same financial year. However, the payment was received by the supplier on 3-7-1996.



The Audit verified the contention of the Department and **the para was settled.**

**17.                    Para No.6 Pages 12 & 13 of Audit Report for the year 1998-99;  
Irregular maintenance of log books involving Rs.47,516/-.**

**14.11.2003**     The Department explained that the log books mentioned in the para had been maintained as per government instructions and the Audit verified the explanation of the Department.

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

**18.                    Para No.7 Pages 13 & 14 of Audit Report for the year 1998-99;  
Irregular purchase of computer worth Rs.108,500/-.**

**14.11.2003**     The Department explained that the computers were purchased with the approval of the competent authority and all the procedural formalities were completed.

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

**19.                    Para No.8 Page 14 of Audit Report for the year 1998-99;  
Irregular, un-economical and un-authorized repair of office equipments worth Rs.33,235/-.**

**14.11.2003**     The Department explained that in compliance with the light of the audit observation, the expenditure would be got regularized by the Finance Department.

The Committee directed that the expenditure be got regularized by the competent authority.

The para was settled subject to regularization by Finance Department.

**11.2.2005**     The Department explained that expenditure was made after observing all the codal formalities.

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

**20.                    Para No.9.1 Pages 9 & 14 of Audit Report for the year 1998-99;  
Irregular expenditure of Rs.96,500/- on printing.**

**Director General Fisheries Punjab, Lahore-Rs.44,200/-.**

**14.11.2003** The Department explained that the action had been initiated against the DDO concerned and the case for regularization of the expenditure amounting to Rs. 44,200/- was under process.

The Committee directed the Department that the expenditure be got regularized by the Finance Department. The para was kept pending.

**11.2.2005** The Department explained that the case for regularization of the expenditure was under process with the Finance Department.

**The para was settled subject to regularization by the Finance Department.**

**21. Para No.9.2.**

**Director Fisheries (Ext.) Punjab, Lahore-Rs.52,300/-.**

**14.11.2003** The Department explained that the NOC was obtained from Government Printing Press and the work was done through competitive quotations. The sanctions were not splitted intentionally rather the material was got printed from time to time when it was required. The case for regularization of the expenditure had already been sent to the Finance Department.

The Committee settled the para subject to regularization by the Finance Department.

**11.2.2005** The Department explained that the case for regularization of the expenditure had been sent to the Finance Department and action was still awaited.

The Finance Department viewed that the request for regularization of expenditure would only be entertained if the necessary action under the rules was taken against the responsible.

**The para was settled subject to regularization of expenditure by the Finance Department.**

**22. Para No.10.1 Pages 9, 15 & 16 of Audit Report for the year 1998-99; Irregular expenditure of Rs.497,486/- on account of repair of vehicles and non-deduction of income tax amounting to Rs.9,725/-.**

**Deputy Director Fisheries Multan-Rs.55,845/-.**

**14.11.2003** The Department explained that Departmental action has already been taken against the concerned officer and he had been superseded permanently.

The Committee directed that the expenditure be got regularized by the Finance Department.

The para was settled.

**23.                    Para No.10.2.**

**Director of Fisheries Research and Training Institute, Manawan,  
Lahore-Rs.96,671/-.**

**14.11.2003** The Department explained that the amount spent on the repair and maintenance on vehicle was justified and that the ex-post facto sanction had been got from the Administrative Secretary who was competent in this regard.

In its latest comments, the Audit had verified the dead stock register and history sheet of vehicles and recommended the para for settlement.

The para was settled.

**24.                    Para No.10.3.**

**Director Fisheries (H & M) Manawan, Lahore-Rs.53,407/-.**

**14.11.2003** The Department explained that all the relevant record had been verified by the Audit.

On recommendation of Audit, the para was settled.

**25.                    Para No.10.4.**

**Director General Fisheries Lahore-Rs.159,401/-.**

**14.11.2003** The Department explained that the repair was got done after completion of all codal formalities. The Audit verified the contention of the department and recommended the para for settlement. **The para was settled.**

**26.                    Para No.10.5.**

**Deputy Director Fisheries, Lahore Division, Lahore-Rs.58,910/-.**

**14.11.2003** The Department explained that the repair was got done after completion of all codal formalities. The Audit verified the contention of the Department and recommended the para for settlement. **The para was settled.**

**27. Para No.10.6.**

**Deputy Director Fisheries Sargodha-Rs.34,065/-.**

**14.11.2003** The Department explained that the repair was got done after completion of all codal formalities. The audit verified the contention of the Department and recommended the para for settlement. **The para was settled.**

**28. Para No.10.7.**

**Assistant Director Fisheries Bahawalnagar-Rs.39,187/-.**

**14.11.2003** The Department explained that all the codal formalities were fulfilled while repairing the vehicle. The amount of income tax had been recovered and got verified by Audit. The Audit verified the contention of the Department and **the para was settled.**

**29. Para No.11 Pages 16 & 17 of Audit Report for the year 1998-99; Irregular expenditure on account of purchase of scientific equipment worth Rs.107,770/-.**

**14.11.2003** The Department explained that the purchase of the equipment mentioned in PC-I of the scheme was made with the approval of the competent authority following the prescribed procedure and payment to the firm was made through bank draft.

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

**30. Para No.12 Page 17 of Audit Report for the year 1998-99; Irregular/unauthorized purchase of medicines worth Rs.119,850/-.**

**14.11.2003** The Committee accepted the written explanation of the Department and **settled the para** with the direction that in future all the purchases should be made as per instruction of the Finance Department.

**31. Para No.13 Pages 17 & 18 of Audit Report for the year 1998-99; Irregular expenditure of Rs.95,000/- on account of purchase of ten type writers.**

**14.11.2003** The Audit, however, pointed out that the expenditure had been incurred without obtaining NOC from S & GAD.

The Department explained that the funds were provided through SNE for purchase of typewriters and income tax of Rs.2,375/- had been recovered and deposited into the government treasury. The Department explained that the case had been sent to the Finance Department for regularization.

The para was kept pending for regularization by the competent authority.

**11.2.2005** The Department explained that the SNE funds were utilized for purchase of typewriter and income tax had been deducted and deposited, however, case had been sent to the Finance Department for regularization and the action was still awaited.

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

**32.                    Para No.14.1 Pages 10 & 18 of Audit Report for the year 1998-99;  
Loss of Rs.756,366/- due to lease of fishing rights at lesser rates.**

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**Assistant Director Fisheries Lahore-Rs.547,266/-.**

**14.11.2003** The Department explained that DG, Fisheries was competent for the approval of lease amount. The Audit had verified the contention of the Department

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

**33.                    Para No.14.2.**

**Assistant Director Fisheries Gujrat-Rs.209,100/-.**

**14.11.2003** The Department explained that the para had been settled in the Special DAC meeting held on 28-4-1998 and the audit verified the contention of the Department.

The **para was settled.**

**34.                    Para No.15 Page 19 of Audit Report for the year 1998-99; Un-  
justified appointment of driver and wasteful expenditure on account of pay  
amounting to Rs.131,046/-.**

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**14.11.2003** The Department explained that the driver in question was appointed against an available post in one formation but his services were utilized in another formation in the public interest.

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

**35. Para No.16.1 Pages 20 & 22 of Audit Report for the year 1998-99; Loss of Rs.343,987/- (Approx) due to non-occupation of designated residences.**

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**Deputy Director Fisheries, Bahawalpur Division, Bahawalpur-Rs.262,231/-.**

**14.11.2003** The Department explained that an inquiry had been initiated against the Deputy Director Fisheries, Bahawalpur for providing false certificates to different staff members regarding taking over the possession of government quarters.

The Committee directed that the inquiry/necessary action should be finalized expeditiously.

The para was kept pending.

**11.2.2005** The Department explained that an inquiry had been finalized. The actual amount had been deducted from the salary of the staff.

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

**36. Para No.16.2.**

**Assistant Director Fisheries, Khushab-Rs.41,055/-.**

**14.11.2003** The Department explained that the XEN Building had certified that the official residences in question were not worth living.

The Audit verified the certificates and the para was settled.

**11.2.2005** The Department explained that an amount of Rs.253,257/- had been recovered while an amount of Rs.30,725/- had been recorded in the NDC of retired officials. Balance recoveries were being effected from the concerned staff. Moreover, actions had been taken in all

the 196 cases as per codal requirements and rules.

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

**37. Para No.16.3.**

**Assistant Director Fish Hatchery, Faisalabad-Rs.40,701/-.**

**14.11.2003** The Department stated in the meeting that in compliance with the Audit observation, the recovery had been ordered from the concerned officials.

The para was settled subject to recovery and its verification by Audit.

**11.2.2005** The Department explained that amounts had been deposited by the both officers.

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

**38. Para No.17.1 Pages 20 & 23 of Audit Report for the year 1998-99; Loss of Rs.258,176/- on account of non-deduction of income tax from contractors.**

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**Assistant Director Fisheries, Multan-Rs.29,344/-.**

**14.11.2003** The Department explained that the recovery amounting to Rs.15,500/- had already been made and verified by Audit. The balance amount of Rs.10,800/- had also been recovered.

The para was settled.

**39. Para No.17.2.**

**Deputy Director Fisheries, Lahore-Rs.26,436/-.**

**14.11.2003** The Department explained that the total recovery had been effected and deposited into the Government Treasury.

The para was settled.

**40. Para No.17.3.**



## **Assistant Director Fisheries, Gujrat-Rs.202,396/-.**

**14.11.2003** The Department explained that as a result of regular inquiry against Zafar Ullah Chatha, Assistant Director Fisheries, Gujrat, a recovery of Rs.316,082/- including the amount of this para had been imposed on him along with the penalty of compulsory retirement from service.

The Department further explained that DCO, Gujranwala had been requested to make the recovery as arrears of land revenue.

The para was settled subject to recovery and its verification by Audit.

**11.2.2005** The Department explained that the case had been referred for recovery as arrears of land revenue and the same was being pursued vigorously.

The Department was directed to finalize the case at the earliest and the **para was kept pending.**

### **41. Para No.18 Pages 23 & 24 of Audit Report for the year 1998-99; Recovery of Rs.120,354/- on Account of Irregular Drawal of House Rent Allowance and Non Deduction of House Rent.**

**14.11.2003** The Department explained that in the departmental inquiry, it had been proved that the officer in question had not been allotted an official residence belonging to the Provincial Government. Another inquiry was being held whether he was allotted an official residence belonging to a Federal Government and necessary action would be taken in accordance with the findings of the inquiry.

The Department was directed to finalize the inquiry/necessary action expeditiously.

The para was kept pending.

**11.2.2005** The Department explained that as a result of inquiry Syed Zaka ud Din Bokhari, Deputy Director, Fisheries, the officer concerned, who had been retired from service, had been exonerated from the charges as he had not been living in the Government accommodation.

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

### **42. Para No.19 Page 24 of Audit Report for the year 1998-99; Overpayment of Rs.54,983/- Due to Irregular Drawal of House Rent**

**Allowance.**

**14.11.2003** The Audit had pointed out that two officers of the department were in possession of government accommodation and had also been drawing House Rent Allowance resulting in a loss of Rs.54,983/- to Government exchequer

The Department explained that one officer had died and the other had retired on superannuation. The Department stated that amount from the deceased would be got written off and the amount due from the pensioner would be recovered from him.

The Committee settled the para subject to write off/recovery as stated by the Department.

**11.2.2005** The Department explained that the case had been referred to the Finance Department for write off Rs.40,980/- in respect of Mr. Muhammad Akram Qureshi (Deceased). Moreover, recovery of Rs.14,004/- was under process.

The para was settled subject to write off sanction/recovery and its verification by Audit.

**43. Para No.20.1 Pages 20 & 25 of Audit Report for the year 1998-99; Non-recovery of overdue installments of cost of motor cycles amounting to Rs.1,470,765/-.**

**Director Fisheries (Aqua) Punjab, Lahore-Rs.1,010,645/-.**

**14.11.2003** The Department explained that out of total recovery a sum of Rs.675,939/- had been recovered and verified by audit and efforts were being made to effect the recovery of balance amount.

The Committee settled the para subject to recovery of balance amount and its verification by Audit.

**11.2.2005** The Department explained that out of balance amount of Rs.352,274/-, recovery of Rs.236,390/- had been effected and efforts were being made for remaining recovery in near future.

The para was settled subject to balance recovery and its verification by Audit.

**44. Para No.20.2.**

**Director Fisheries (Ext.) Punjab, Lahore-Rs.460,120/-.**

**14.11.2003** The Department explained that out of total recovery a sum of Rs.384,718/- had been recovered and verified by the Audit.

The Committee directed that the balance recovery be effected expeditiously.

The para was settled subject to recovery and its verification by Audit.

**11.2.2005** The Department explained that remaining amount of Rs.23,400/50 was recoverable from Mr. Anwar Kenith who had been arrested in a religious case. The case for recovery from his G.P.Fund account was under process in the office of A.G., Punjab.

**The para was settled subject to recovery and its verification by the Audit.**

**45.                    Para No.21 Pages 25 & 26 of Audit Report for the year 1998-99; Recovery of Rs.192,300/- on account of irregular use of Government Vehicles by the Minister of Fisheries.**

**14.11.2003** The Committee discussed the para at length and was of the consensus that the vehicles had been used by the Minister/his staff in the public interest and decided to **settle the para.**

**46.                    Para No.22.1 Pages 21 & 26 of Audit Report for the year 1998-99; Less deposit of government receipts amounting to Rs.246,417/-.**

**Assistant Director Fisheries Gujrat-Rs.113,722/-.**

**14.11.2003** The Department explained that as a result of regular inquiry against Zafar Ullah Chatha, Assistant Director Fisheries, Gujrat, a recovery of Rs.316,082/- including the amount of this para had been imposed on him along with the penalty of compulsory retirement from service.

The Department further explained that DCO, Gujranwala had been requested to make the recovery as arrears of land revenue.

The para was settled subject to recovery and its verification by Audit.

**11.2.2005** The Department explained that DCO Gujranwala had been approached for

recovery as arrears of land revenue.

The Department was directed to pursue the case of recovery for early finalization and the **para was kept pending.**

**47.                    Para No.22.2.**

**Assistant Director Fisheries Bahawalnagar-Rs.19,970/-.**

**14.11.2003**     The Department explained that the total recovery of Rs.19,970/- had been effected and deposited into the Government Treasury.

The Audit verified the contention of the Department.

The **para was settled.**

**48.                    Para No.22.3.**

**Assistant Director Fisheries Gujrat-Rs.112,725/-.**

**14.11.2003**     The Department explained that the total amount had been recovered and deposited into Government Treasury

The Audit verified the contention of the Department.

The **para was settled.**

**49.                    Para No.23 Page 28 of Audit Report for the year 1998-99; Non production of log books, recovery of Rs.147,000/-.**

**14.11.2003**     The Department explained that all the log books had been maintained as per instructions of the Government and verified by the Audit.

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

**FOREST DEPARTMENT**

**Audit Paras (Civil) for the year 1998-99**

**50.                    Para No.1.1 Pages 8 & 10 of Audit Report for the year 1998-99; Embezzlement of Rs.149,405/-.**

**Divisional Forest Officer, R. Y. Khan-Rs.19,200/-.**

**15.11.2003** The Administrative Department stated that as a result of inquiry, it was established that the double payment had been made on account of jungle clearance and the same had totally been recovered and deposited into Government Treasury.

The Committee discussed and **settled the para.**

**51.                   Para No.1.2.**

**Divisional Forest Officer, Gujrat-Rs.130,205/-.**

**15.11.2003** The Administrative Department stated that an inquiry had been ordered to ascertain the facts of the case and to fix the responsibility for the irregularities pointed out in the audit para.

The Committee directed that the inquiry/necessary action should be completed within three months.

The para was kept pending.

**11.2.2005** The Department explained that an inquiry had been conducted and the inquiry committee concluded that XEN Rasool Division was responsible for the loss. The Irrigation Department had been approached for recovery from the concerned.

The Department was directed to get the matter finalized from the Secretary I&P Department at the earliest and the **para was kept pending.**

**52.                   Para No.2 Pages 10 & 11 of Audit Report for the year 1998-99; Misappropriation of firewood and timber valuing Rs.666,431/-.**

**Divisional Forest Officer, Murree-Rs.666,431/-.**

**15.11.2003** Audit pointed out that timber and nursery items were dispatched but not received. Later on balance was not carried over and shortage was found.

The Administrative Department explained that the matter required on the spot verification of record by Audit.

The Director General Audit assured that an Auditor would be deputed for this

purpose.

The para was kept pending for verification of record.

**11.2.2005** The Department explained that record pertaining to item “A” had already been verified and recommended for settlement by Audit. The Department contented that no loss was caused to the Government pertaining to item ‘B’.

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

**53.                    Para No.3.1 Pages 8 & 11 of Audit Report for the year 1998-99;  
Misappropriation of nursery plants recovery of Rs.1,397,857/-.**

**Divisional Forest Officer,(South) Rawalpindi-Rs.952,264/-.**

**15.11.2003** The Audit pointed out that Forest Division South Rawalpindi sold the plants but their cost was not deposited in the Government Treasury, wrong calculations were also observed in the nurseries registers, balance were not carried over according to the closing balances. Moreover, plants were shown as issued to Government offices but sanction/acknowledgements having been received were not found attached.

The Department explained that the matter required on the spot verification of record by the Audit. The Director General Audit assured that an Auditor would be deputed for this purpose.

The para was kept pending for verification of record.

**11.2.2005** The Department explained that after verification of record, the para had been recommended for settlement partially by Audit. The record regarding remaining items would be got verified by the Audit.

**The committee decided to settle those items which had been recommended by Audit for settlement and remaining items were also settled subject to recovery and its verification by Audit**

**54.                    Para No.3.2.**

**Divisional Forest Officer, Jhelum-Rs.45,411/-.**

**15.11.2003** The Audit pointed out that the relevant record had not been shown and the balance

recovery of Rs.23,101/- have not so far been effected.

The Administrative Department explained that recovery of Rs.10,800/- had been effected from the concerned persons and the recovery of balance amount of Rs.23,101/- had been imposed on the concerned officials and shown in form-II.

The para was settled subject to complete recovery and its verification by Audit.

**11.2.2005** The Department explained that complete recovery had been effected and verified by Audit.

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

**55. Para No.3.3.**

**Divisional Forest Officer, Jhelum-Rs.400,182/-.**

**15.11.2003** Audit pointed out that the whole record had been got verified and recommended the para for settlement.

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

**56. Para No.4 Page 12 of Audit Report for the year 1998-99; Loss/non accountal of timber valuing Rs.64,466/-.**

**Divisional Forest Officer, Gujranwala-Rs.64,466/-.**

**15.11.2003** The Department explained that in the departmental inquiries no misappropriation had been found.

The Audit had verified the inquiry report and had recommended the para for settlement.

The **para was settled.**

**57. Para No.5.1 Pages 8, 12 & 13 of Audit Report for the year 1998-99; Misappropriation of polythen bag plants/stumps and other material valuing Rs.555,319/-.**



**Divisional Forest Officer, Sialkot-Rs.162,374/-.**

**15.11.2003** The Department explained that major recovery had been made and the balance recovery would be effected.

The Committee settled the para subject to recovery and its verification by the Audit.

**11.2.2005** The Department explained that recovery regarding item No. 27, 28 and 33 had been verified and recommended for settlement by Audit.

The Finance Department observed that audit objections where the recovery process was in progress may be settled.

The Department explained that balance recoveries in respect of item No. 29, 34 and 35 had been reflected in NDC and Form-11 and the same had been verified by Audit.

The **para was settled subject to verification of record by Audit** and with the direction that Audit may not take such paras as draft paras in future where recovery had been reflected in form 11 or in NDC.

**58.                Para No.5.2.**

**Divisional Forest Officer, Lahore/Sheikhupura-Rs.6,175/-.**

**15.11.2003** The Audit confirmed that the total recovery had been effected and the relevant record had been verified by the Audit.

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

**59.                Para No.5.3.**

**Divisional Forest Officer, Lahore/Sheikhupura-Rs.386,770/-.**

**15.11.2003** The Department explained that in the departmental inquiry, it had been established that the nurseries had been damaged due to heavy rains and floods in August 1996. Therefore, a case for writing off the loss had been referred to the Finance Department.

The Audit had, however, pointed out that inconsistencies in the record had

revealed that the damage reports regarding washing away of plants in flood were completely bogus.

The Department stated in the meeting that an inquiry had also been ordered into the matters pointed out in the audit para and to fix responsibility.

The para was kept pending.

**11.2.2005** The Department explained that a fresh inquiry had been conducted by the Conservator of Forest Department and inquiry report had also been accepted by the competent authority.

The para was settled subject to verification of inquiry report by Audit.

**60. Para No.6 Pages 13 & 14 of Audit Report for the year 1998-99; Loss of Rs.193,650/- due to misappropriation of polythen bags plants/stumps.**

**Divisional Forest Officer, Gujranwala-Rs.193,650/-.**

**15.11.2003** The Department explained that partial recovery/record in respect of the parts of the para under process relating to the amounts of Rs.139,650/- had been verified. The record/recovery in respect of the balance amount of the para would be shown/effectuated shortly.

The Committee settled the para subject to recovery and its verification by the Audit.

**11.2.2005** The Department explained that recovery of Rs.5400/- had been effected from the pay bills of Mr Azhar Iqbal FG and the same had been verified and recommended for settlement by Audit. The Department contented that recovery of Rs.3708 had been effected from Mr Muhammad Nazir Forester which had been verified from Form 11 by Audit. Moreover, the balance recovery of Rs.19,950/- had also been reflected in his NDC for effecting recovery from his pension.

On the recommendation of Audit, the para was settled.

**61. Para No.7 Page 7 of Audit Report for the year 1998-99; Loss of Rs.11,208,525/- due to less yield of main felling.**

**Divisional Forest Officer, Gujrat-Rs.11,208,525/-.**

**15.11.2003** The Department explained that 91% timber and 82% firewood was obtained and overall shortage in the yield of timber and firewood come to 14% which was due to conversion of loss as admissible according to para No.15.2 (C-II) at page 217 of Punjab Forest Manual Vol-II.

The Audit had verified the contention of the Departmental and recommended the para for settlement.

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

**62. Para No.8.1 Pages 8 & 15 of Audit Report for the year 1998-99; Misappropriation of plants, store, timber and firewood valuing Rs.392,137/-.**

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**Divisional Forest Officer, Gujrat-Rs.117,000/-.**

**15.11.2003** The Administrative Department stated that an inquiry had been ordered and action would be taken as per the findings of the inquiry report. The Department was directed to complete the inquiry /action expeditiously.

The para was kept pending.

**11.2.2005** The Department explained that relevant record had been verified by Audit.

The Departmental contention was supported by Audit, therefore, **committee decided to settle the para.**

**63. Para No.8.2.**

**Divisional Forest Officer, Gujranwala-Rs.209,872/-.**

**15.11.2003** The Department explained that an inquiry was ordered and as a result of the inquiry report recovery of Rs.144,651/- was imposed on the defaulter Mr Muhammad Siddique, Forester (Rtd). The recovery was being effected from his pension. So far as the cost of 32 logs of 567.19 cft was concerned, the Department stated that the record of 26 logs was available in stock. There was shortage of 6 logs.

The Committee settled the para subject to verification of record and recovery by the Audit.

**11.2.2005** The Department explained that matter regarding item No.1 was pending decision in the Supreme Court of Pakistan. However, record pertaining to item No (ii) had been verified and recommended for settlement by Audit.

The item (i) was kept pending being sub-judice and item (ii) was settled.

**64.                    Para No.8.3.**

**Divisional Forest Officer, Lahore/Sheikhupura-Rs.15,840/-.**

**15.11.2003**     In its latest comments the Audit had stated that the amount of the para had been reduced to Rs.15,840/- in SDAC meeting held on 7.4.1989 and the recovery of the said amount had been verified by the Audit.

On recommendation of Audit, the para was settled.

**65.                    Para No.8.4.**

**Divisional Forest Officer, Multan-Rs.49,425/-.**

**15.11.2003**     The Department explained that the relevant record was available and could be got verified by the Audit.

The Committee settled the para subject to verification of record by the Audit.

**12.2.2005**     During the meeting Audit explained that the record has been verified, therefore, the para may be settled.

The para was accordingly settled.

**66.                    Para No.9.1 Pages 9, 15 & 16 of Audit Report for the year 1998-99; Loss of Rs.243,477/- due to likely misappropriation of timber, firewood/ plants.**

**Divisional Forest Officer, D. G. Khan-Rs.102,000/-.**

**15.11.2003**     The Department explained that the balance recovery had been placed on form 11 which would soon be recovered.

The Committee settled the para subject to verification of record and recovery of the balance amount.

**12.2.2005**     The Department explained that out of total recoverable amount of Rs.43,400/-, a sum of Rs.9,400/- had been recovered and remaining amount had been indicated in Form 11 for

effecting recovery on monthly basis.

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

**67.                    Para No.9.2.**

**Divisional Forest Officer, D. G. Khan-Rs.141,477/-.**

**15.11.2003**     The Department explained that the total recovery had been effected and got verified by Audit.

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

**68.                    Para No.10 Page 17 of Audit Report for the year 1998-99; Misappropriation of confiscated timber valuing Rs.131,100/-.**

**Divisional Forest Officer, Muzzaffargarh-Rs.131,100/-.**

**15.11.2003**     The Department explained that the para related to 17 Forest cases. In two cases, involving an amount of Rs.22,150/- FIR had been got registered. In 7 cases involving an amount of Rs.63,750/- the confiscated material had been taken in the stock register. In 8 cases involving an amount of Rs.45,200/- disciplinary action had been initiated against the concerned officials.

The Department was directed to complete the action/recovery expeditiously.

The para was kept pending.

**12.2.2005**     The Department explained that recovery was being effected on monthly basis as per entry in Form 11.

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

**69.                    Para No.11 Pages 17 & 18 of Audit Report for the year 1998-99; Loss of Rs.352,000/- due to misappropriation of fire wood and seed.**

**Divisional Forest Officer, Kasur at Changa Manga-Rs.352,000/-.**

**15.11.2003**     The Department explained that the case for write off the loss amounting to Rs.318,729/55 was in process. The Department further explained that the balance amount of

Rs.33,000/- had been incorrectly calculated by Audit. The actual loss amounting to Rs.2,880/- had since been recovered from the official concerned.

The Committee directed that necessary action under the law in respect of the amount of Rs.318,729/55 reported had been referred for write off should be finalized expeditiously.

The para was kept pending.

**12.2.2005** The Department explained that the case for write off sanction had been referred to the Finance Department and decision was still awaited.

The Department was directed to pursue the case of write off with Finance Department and the **para was kept pending.**

**70. Para No.12 Page 18 of Audit Report for the year 1998-99;  
Shortage of angle iron and barbed wire costing  
Rs.294,800/-.**

**Divisional Forest Officer, (South) Rawalpindi-Rs.294,800/-.**

**15.11.2003** The Department explained that the entries in Form No.16 had been got reconciled and the account of angle iron and barbed wire was available.

The Department was directed to get the record in support of its contention verified by Audit.

The para was settled subject to verification.

**12.2.2005** The Department explained that the requisite record had been verified by Audit.

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

**71. Para No.13 Page 20 of Audit Report for the year 1998-99; Failure  
of polythen bags nursery plants valuing Rs.55,787/-.**

**Divisional Forest Officer, Lahore-Rs.55,787/-.**

**15.11.2003** The Department explained that Timber Form No.7 and Form No.12 proved that no damage was caused to the Barkat Town Nursery due to flood/rainy water. After receding of the

rainy water all these plants survived and were supplied to Pak Army and Education Department.

The relevant record was available for verification.

The para was settled subject to verification of record.

**12.2.2005** The Department explained that the requisite record had been verified by Audit.

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

**72. Para No.14 Pages 20 & 21 of Audit Report for the year 1998-99; Loss of Rs.500,000/- on account of theft of vehicle.**

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**Divisional Forest Officer, Murree-Rs.500,000/-.**

**15.11.2003** The Department explained that vehicle No.IDD-5738 was stolen on the night of 12.11.1994 and the case was registered with Police under FIR No. 327 dated 12.11.1994. However, the police could not recover the vehicle. In the Departmental inquiry no officer/official was found responsible for the loss. The para was also discussed in SDAC meeting held on 14.4.1999 and was kept pending for regularization. The case for writing off the loss was under process.

The Audit had commented that the loss should be got written off by the Finance Department.

The Committee directed that necessary action for disposal of the Audit para should be finalized expeditiously.

The para was kept pending.

**12.2.2005** The Department explained that as per inquiry report, no officer/official was found responsible. The case for writing off sanction of the loss was under process.

**The para was settled subject to write off sanction by the Finance Department.**

**73. Para No.15 Page 23 of Audit Report for the year 1998-99; Loss of Rs.64,664/- due to excess drawal of various forest operation charges.**

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**Divisional Forest Officer, Gujrat-Rs.64,664/-.**

**15.11.2003** The Department explained that an inquiry had been ordered to probe into the



matter and action would be taken in the light of the inquiry report.

The Committee directed that the inquiry and necessary action in the matter may be completed within three months.

The para was kept pending.

**12.2.2005** The Department explained that water was purchased from private sector and stored in a pond for hand watering to the nursery. The water purchase was of Rs.5,000/- to save the 50000 plants from dying.

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

**74. Para No.16.1 Pages 24 & 26 of Audit Report for the year 1998-99; Loss of Rs.18,013,584/- on account of non finalization of forest offense\_ cases.**

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**Divisional Forest Officer, Chichawatni-Rs.78,050/-.**

**15.11.2003** The Department explained that in the Forest case against Mr. Bashir Ahmad s/o Allah Rakha involving an amount of Rs.20,150/- fresh inquiry will be held as per latest Audit comments.

The Department was directed to complete the inquiry /necessary action in the matter at the earliest.

This part was kept pending.

The Department further explained that in the forest case against Mr. Bashir Ahmad s/o Abdul Haq involving an amount of Rs.57,900/- the recovery was being effected through form-II as per rules.

This part was settled subject to recovery.

**12.2.2005** The Department explained that as a result of inquiry, recovery had been imposed on Mr Bashir Ahmed S/O Allah Rakha which had been entered in Form 11 for effecting recovery on monthly basis.

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

**75. Para No.16.2.**

**Divisional Forest Officer, Sahiwal-Rs.1,094,840/-.**

**15.11.2003** The Department explained that all the Forrester offence cases pointed out by the Audit were at various stages of their disposal under the rules. Some cases had been compounded, some cases had been prosecuted and in some cases disciplinary action had been initiated against the officials. It was being ensured that all Government loss was made good under the rules at the earliest.

The Committee directed that necessary action under the rules should be finalized expeditiously and the record/recovery made in this respect should be got verified by Audit.

The para was kept pending.

**12.2.2005** The Department explained that recovery of Rs.170,192/- had been effected and verified by Audit and remaining recovery had also been entered in Form 11/NDC for effecting recovery on monthly basis.

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

**76.                    Para No.16.3.**

**Divisional Forest Officer, Jhang-Rs.166,540/-.**

**15.11.2003** As per latest Audit comments out of 47 cases, 31 cases valuing Rs.38,375/- had been compounded and verified by the Audit. Loss of 3 cases worth Rs.5,390/- had been written off by the competent authority. 13- cases worth Rs.122,750/- were pending with Courts/Police.

The Committee directed that the pending cases should be pursued and got finalized at the earliest.

The para was kept pending.

**12.2.2005** The Department explained that the 30 cases had been compounded, 11 cases were pending in different courts and were being pursued vigorously. The Department further contented that Rs.5390/- had been written off by the Chief Conservator of Forests, Lahore.

The Department was directed to pursue the cases vigorously for early finalization and the para was kept pending, however, the part of the para regarding 30 cases which had been compounded, was **settled.**

**77.                    Para No.16.4.****Divisional Forest Officer, Kasur-Rs.1,016,327/-.**

**15.11.2003**     As per latest Audit comments, recovery of Rs.152,993/- imposed upon defaulting officials in 44 cases had been verified by Audit. 23 cases had been compounded for Rs.107,660/- and verified by Audit. Recovery of Rs.6,550/- had been effected from the salaries of the defaulting officials for 34 cases and verified by Audit 71 cases worth Rs.730,797/- had been prosecuted and 3 cases worth Rs.23,500/- were under investigation.

The Department was directed to complete the recovery and finalize the pending cases at the earliest.

The para was kept pending.

**12.2.2005**     The Department explained that out of total 74 cases some had been decided and accordingly the recoveries had been effected. Whereas some cases were under adjudication in the courts.

**The part of the para which had been decided by courts was settled and part of the para where the cases were under adjudication was kept pending.**

**78.                    Para No.16.5.****Divisional Forest Officer, Kasur-Rs.7,302,289/-.**

**15.11.2003**     As per latest Audit comments out of 1116 cases, only 27 cases had so far been decided by the courts. For the remaining 11089 cases, the Department stated that a full time Forest Magistrate had been appointed for the early disposal of the cases.

The Committee directed that the cases be got decided at the earliest.

The para was kept pending.

**12.2.2005**     The Department explained that out of 1116 cases, 27 cases had so far been decided by the courts.

The Committee recommended/decided as under:-

- a) **The part of para related to the cases which had been decided by the court be treated as settled; and**
- b) **The part of the para related to the case which were pending in the courts be kept pending.**

**79. Para No.16.6.**

**Divisional Forest Officer, Kasur-Rs.1,950,200/-.**

**15.11.2003** The Department stated that a full time Forest Magistrate had been appointed for early disposal of the forest cases. The progress will be submitted as soon as the cases were disposed of.

The Committee kept the para pending with the direction to pursue the pending cases with the court.

**12.2.2005** The Department explained that 29-FIRs valuing Rs.961,950/- were being pursued by the Department in various courts. The recovery of Rs.296,700/- being the value of 10-FIRs imposed upon the officials had been shown in form No.11 as outstanding against them for prompt recovery of government dues from their monthly salaries.

The Committee recommended/decided as under:

- a) **The part of para related to the cases which had been decided by the court be treated as settled; and**
- b) **The part of the para related to the case which were pending in the courts be kept pending.**

**80. Para No.16.7.**

**Divisional Forest Officer, Gujranwala-Rs.60,870/-.**

**15.11.2003** The Administrative Department informed the Committee that the recovery had been reflected in form II and was deducted regularly from the pay of the officials concerned. Out of Rs.60,870/- deposit of Rs.5,767/- had been verified by the Audit.

The para was settled subject to recovery of balance amount and its verification by the Audit.

**12.2.2005** The Department explained that an amount of Rs.4800/- had been recovered from

the pay of Mr Muhammad Nazir Forester. The balance amount of Rs.47013/- had been shown in the N.D.C of Mr Muhammad Nazir Forester who had been retired from service, which would be recovered from his pension/gratuity

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

**81.           Para No.16.8.**

**Divisional Forest Officer, Faisalabad-Rs.582,085/-.**

**15.11.2003**     The Department explained that the 84 Forest cases involved in this audit para were at various stages of disposal.

The Department was directed to get the cases finalized/recovery effected at the earliest.

The para was kept pending.

**12.2.2005**     The Department explained that recovery of Rs.517,390/- had been imposed upon the responsible staff for 51 forest cases. The amount had been shown in Form No.11. An amount of Rs.87,925/- had been recovered. The remaining recovery amounting to Rs.429,465/- was being recovered from the official concerned.

The **Committee settled part of the para related to the cases in which recovery had already been effected and pended the part of para related to cases in which recovery was yet to be effected.**

**82.           Para No.16.9.**

**Divisional Forest Officer, Bhakkar-Rs.13,665/-.**

**15.11.2003**     The Audit pointed out that the recovery of the amount of Rs.13,665/- had been verified.

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

**83.                    Para No.16.10.****Divisional Forest Officer, (RM) Bhakkar-Rs.48,736/-.**

**15.11.2003**     The Department explained that out of 33 forest cases 17 forest cases had been decided by the courts by imposing fine of Rs.5,050/- and the remaining cases were pending with the courts.

The Department was directed to get the cases finalized and the recovery effected at the earliest.

The para was kept pending.

**12.2.2005**     The Department explained that the recovery of Rs.5,350/- in seven cases out of sixteen cases had been effected and verified by Audit.

The Committee recommended/decided as under:

- a)                    **The part of para related to the cases which had been decided by the court be treated as settled; and**
- b)                    **The part of the para related to the case which were pending in the courts be kept pending.**

**84.                    Para No.16.11.****Divisional Forest Officer, Mianwali-Rs.1,061,190/-.**

**15.11.2003**     The Department stated that out of 99 forest cases 37 cases had been decided by the courts imposing fine of Rs.31,450/- and the remaining cases were pending with the courts.

The Department was directed to get the cases finalized and recovery effected at the earliest.

The para was kept pending.

**12.2.2005**     The Department explained that out of 102 cases valuing Rs.640,695/-, 38 cases valuing Rs.253,020/- had been decided by the courts, imposing fine of Rs.33,450/-.

The Committee recommended/decided as under:

- a)                    **The part of para related to the cases which had been decided by the**

**court be treated as settled; and**

**b) The part of the para related to the case which were pending in the courts be kept pending.**

**85. Para No.16.12.**

**Divisional Forest Officer, Bahawalnagar-Rs.72,530/-.**

**15.11.2003** The Department explained that 35 Forest offence cases involved in this para were at different stages of their disposal.

The Department was directed to get the cases finalized and get the recovery at the earliest.

The para was kept pending.

**12.2.2005** The Department explained that recovery regarding item No(i & iii) had been effected and verified by the Audit. The Department further explained that balance recovery pertaining to item No. (ii) amounting to Rs.19,220/- had been shown in the N.D.C for effecting recovery from the pension of Mr Muhammad Khan Forester. Besides one case valuing Rs.1,550/- was under trial in the civil court Bahawalnagar. Another case of damage of Rs.11,300/- by Rangers had been sent to the competent authority for write off.

The Committee recommended/decided as under:

**a) The part of para related to the cases which had been decided by the court or recovery had been effected be treated as settled; and**

**b) The part of the para related to the case which were pending in the courts or recovery was yet to be made, be kept pending.**

**86. Para No.16.13.**

**Divisional Forest Officer, Multan-Rs.301,850/-.**

**15.11.2003** The Department explained that the officials responsible for the Forest offence cases were proceeded and recoveries had been imposed vide order dated 29.9.2003 and placed in Form No.II.

The Committee settled the para subject to verification of recovery/record by the Audit.

**12.2.2005** The Department explained that in seventy five cases, recovery of Rs.280,430/- was



imposed upon various officials and entered in Form 11 for effecting recovery in monthly installments.

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

**87.                    Para No.16.14.**

**Divisional Forest Officer, Chakwal-Rs.6,630/-.**

**15.11.2003**      The Department explained that the amount of the para had been recovered.

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

**12.2.2005**      The Department explained that balance recovery of Rs.1,040/- had been effected and verified by Audit.

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

**88.                    Para No.16.15.**

**Divisional Forest Officer, Jhelum-Rs.542,385/-.**

**15.11.2003**      The Department stated that on perusal of relevant record the total amount of the para comes to Rs.444,470/- instead of Rs.542,385/- against 246 cases. Out of which 81 cases had been disposed of and Rs.37,191/- were recovered leaving behind 311 Forest cases amounting to Rs.113,330/- against the officials who had since been retired from service and efforts were made to recover the amount.

The Committee kept the para pending for effecting recovery and verification of record by Audit.

**12.2.2005**      The Department explained that out of 311 damage reports, recovery of 33 damage reports, valuing Rs.5030/- had been effected from various officials. Notice for recovery of Rs.107,490/- of 278 damage reports had been issued to the concerned.

**The Committee kept pending those cases which were pending in different courts of law for decision and settled those cases which were already settled by the courts imposing penalties, subject to verification of record by Audit.**

**89.                    Para No.16.16.**

### **Divisional Forest Officer, Sialkot – Rs.350,639/-.**

**15.11.2003** The Department explained that the 124 Forest offence cases involved in this para were at various stages of disposal.

The Department was directed to get the cases finalized/recovery effected at the earliest

The para was kept pending.

**12.2.2005** The Department explained that 27 FC cases amounting to Rs.24,160/- had already been finalized and verified, recovery of Rs.6,100/- was already verified by Audit. Further recovery of Rs.2900 had been verified by Audit leaving a balance amount of Rs.9300/-.

The Department further explained that out of 40 PC cases, 19 PC cases had been decided by courts. Moreover, a case had been referred to the Director, budget and Account (Forest) Lahore for write off the loss of Rs.45,150/- from Finance Department which was still under process. The Department added that out of total recoverable amount of Rs.156,890/-, recovery of Rs.43,380/- had already been effected and verified by the audit leaving a balance of Rs.113,510/-

The Committee decided/recommended as under:-

- a) **The cases decided by the court or recovery effected be treated as settled; and**
- b) **The cases pending in the court and referred for write off sanction be treated as pending.**

**90. Para No.16.17.**

### **Divisional Forest Officer, Gujrat-Rs.98,700/-.**

**15.11.2003** The Department explained that the 52 Forest offence cases involved in this Audit para were at various stages of their disposal.

The Department was directed to get the cases finalized/recovery effected and record verified by Audit at the earliest.

The para was kept pending.

**12.2.2005** The Department explained that nine cases were pending in various courts and being pursued vigorously

The para was accordingly kept pending.

**91.                    Para No.16.18.**

**Divisional Forest Officer, Okara-Rs.435,050/-.**

**15.11.2003** The Department explained that the 21 cases involved in this Audit para were at various stages of their disposal.

The Department was directed to get the cases finalized/recovery effect and the record verified by Audit.

The para was kept pending.

**12.2.2005** The Department explained that out of 21 cases valuing Rs.435,050/-, recovery regarding three cases amounting to Rs.18,250/- had been compounded and verified by Audit. However, some cases were pending in courts and some cases had been placed for recovery at form-11/NDC.

The cases decided by the courts and placed for recovery at form-11/DNC were settled and cases pending in the courts were kept pending.

**92.                    Para No.16.19.**

**Divisional Forest Officer, Okara-Rs.1,046,190/-.**

**3.9.2004** Audit had pointed out that F.C register of Havaili Sub-division showed that a number of cases were registered with police for illegal cutting of trees but the same had not been pursued for fixing responsibility etc.

The Committee deferred the consideration of the Paras to 4-9-2004 with the direction to the department to present a consolidated position about illegal cutting of trees and action taken in this behalf.

On 4.9.2004 the Department explained that many cases had been registered for illegal cutting of trees/other forest offences. In some cases recovery had been imposed on government

functionaries and other cases were pending in courts or with the police for investigation. The department added that presently quantum of fine was quite meager and necessary proposals for amendment in the Forest Act had been made which were under consideration in the Law Department.

The Committee observed that the department should pursue the matter regarding amendments in the Forest Law for enhancing the quantum of punishment and fine etc. The Committee also directed the department to thoroughly investigate the matter of illegal cutting of trees, lacunae in pursuing such cases and other allied matter and submit a comprehensive report to PAC within 30 days.

With the above direction, para was kept pending.

**12.2.2005** The Department explained that out of 25 forest cases, 7 cases had been decided by court and in ten cases recovery had also been imposed and entered in form 11. Whereas 8 cases were pending in the courts.

The Committee decided/recommended as under:-

- a) **The cases which had been decided by the court and entered in the form-11 be treated as settled; and**
- b) **The cases which were pending in the court be treated as pending.**

**93. Para No.16.20.**

**Divisional Forest Officer, Lahore/Sheikhupura-Rs.842,948/-.**

**3.9.2004** Audit had pointed out that F.C register of Havaili Sub-division showed that a number of cases were registered with police for illegal cutting of trees but the same had not been pursued for fixing responsibility etc.

The Committee deferred the consideration of the Paras to 4-9-2004 with the direction to the department to present a consolidated position about illegal cutting of trees and action taken in this behalf.

On 4.9.2004 the Department explained that many cases had been registered for illegal cutting of trees/other forest offences. In some cases recovery had been imposed on government functionaries and other cases were pending in courts or with the police for investigation. The department added that presently quantum of fine was quite meager and necessary proposals for amendment in the Forest Act had been made which were under consideration in the Law

Department.

The Committee observed that the department should pursue the matter regarding amendments in the Forest Law for enhancing the quantum of punishment and fine etc. The Committee also directed the department to thoroughly investigate the matter of illegal cutting of trees, lacunae in pursuing such cases and other allied matter and submit a comprehensive report to PAC within 30 days.

With the above direction, para was kept pending.

**12.2.2005** The Department explained that in 135 cases valuing Rs.465,370, the recovery had been imposed upon different officials, out of which a sum of Rs.22,738/- had been recovered and verified by Audit and the remaining cases were still under process.

**The Committee kept pending those cases which were pending in different courts for decision/write off sanction by competent authority and settled those cases which were already settled by the courts imposing penalties or recovery effected subject to verification by Audit.**

**94.           Para No.16.21.**

**Divisional Forest Officer, Muzaffargarh-Rs.341,290/-.**

**3.9.2004** The Department explained that the para was discussed in SDAC meeting held on 17.4.1999 at Multan and the amount of para was reduced to Rs.341,290/- pertaining to 97 forest cases. However, after thrashing out of relevant record it was revealed that amount of remaining forest cases was 341,635/- instead of Rs.341,290/-.

Audit pointed out that entire relevant record was required to be produced to it for verification/comments.

The Committee observed that in the instant case production of record to and verification by audit was required and directed the department to get the relevant record verified by audit in 30 days under intimation to PAC.

The para was kept pending.

**12.2.2005** The Department explained that forty cases had been compounded and value thereof amounting to Rs.15,085/- had been recovered and credit into Government treasury. The Department further explained that all the prosecuted cases had been decided by the courts and the

remaining cases were under process.

The Committee kept pending those cases which were pending in different courts for decision/write off sanction by competent authority and settled those cases which were already settled by the courts imposing penalties or recovery effected subject to verification by Audit.

**95.           Para No.16.22.**

**Divisional Forest Officer, Bahawalpur-Rs.13,000/-.**

**3.9.2004**      Audit had pointed out that the Department did not pursue the Judicial cases/ recovery on account of illegal cutting of trees and expenditure on plantation schemes was also doubtful.

The Department explained that recoveries had been imposed on various officials of the Forest Department on account of illegal cutting of trees which were being effected and a number of cases were pending with the Police for investigation or were under adjudication of courts.

The Committee took notice of slow progress of recovery and pendency of cases and decided to appoint the following Sub-Committee to examine the aforesaid paras and also visit Bahawalpur Zone and submit its report to PAC within 60 days:-

- |    |                                       |          |
|----|---------------------------------------|----------|
| 1. | Rai Ijaz Ahmad, MPA (PP-171)          | Convener |
| 2. | Syed Nazim Hussain Shah, MPA (PP-199) | Member   |

The Committee directed that Chief Conservator of Forest; Bahawalpur would assist the Sub-Committee.

The para was kept pending.

**12.2.2005**      The Committee was informed that the Sub-Committee had not able to consider the para. Therefore, Committee decided to consider the para itself.

The Department explained that the recovery had been imposed on various officials of the Forest Department which was being effected.

**The para was settled subject to balance recovery and its verification by Audit.**

**96.           Para No.16.23.**

**Divisional Forest Officer, Bahawalpur-Rs.239,930/-.**

**3.9.2004**      Audit had pointed out that the Department did not pursue the Judicial cases/ recovery on account of illegal cutting of trees and expenditure on plantation schemes was also doubtful.

The Department explained that recoveries had been imposed on various officials of the Forest Department on account of illegal cutting of trees which were being effected and a number of cases were pending with the Police for investigation or were under adjudication of courts.

The Committee took notice of slow progress of recovery and pendency of cases and decided to appoint the following Sub-Committee to examine the aforesaid paras and also visit Bahawalpur Zone and submit its report to PAC within 60 days:-

- |  |          |
|--|----------|
| 1. Rai Ijaz Ahmad, MPA (PP-171)          | Convener |
| 2. Syed Nazim Hussain Shah, MPA (PP-199) | Member   |

The Committee directed that Chief Conservator of Forest; Bahawalpur would assist the Sub-Committee.

The para was kept pending.

**12.2.2005**      The Committee was informed that the Sub-Committee had not able to consider the para. Therefore, Committee decided to consider the para itself.

The Department explained that balance recovery had been shown in form 11 and the same was being effected on monthly basis.

**The para was settled subject to balance recovery and its verification by Audit.**

**97.           Para No.16.24.**

**Divisional Forest Officer, Rahim Yar Khan-Rs.347,650/-.**



**3.9.2004** Audit had pointed out that the Department did not pursue the Judicial cases/ recovery on account of illegal cutting of trees and expenditure on plantation schemes was also doubtful.

The Department explained that recoveries had been imposed on various officials of the Forest Department on account of illegal cutting of trees which were being effected and a number of cases were pending with the Police for investigation or were under adjudication of courts.

The Committee took notice of slow progress of recovery and pendency of cases and decided to appoint the following Sub-Committee to examine the aforesaid paras and also visit Bahawalpur Zone and submit its report to PAC within 60 days:-

- |  |          |
|--|----------|
| 1. Rai Ijaz Ahmad, MPA (PP-171)          | Convener |
| 2. Syed Nazim Hussain Shah, MPA (PP-199) | Member   |

The Committee directed that Chief Conservator of Forest; Bahawalpur would assist the Sub-Committee.

The para was kept pending.

**12.2.2005** The Committee was informed that the Sub-Committee had not able to consider the para. Therefore, Committee decided to consider the para itself.

The Department explained that out of balance recovery of Rs.166,910/-, further recovery/write off amounting to Rs.48,020/- had been verified by Audit. However, balance recovery was being effected on monthly basis as per entry in Form 11.

**The para was settled subject to balance recovery and its verification by Audit.**

**98. Para No.17.1 Pages 25 & 27 of Audit Report for the year 1998-99; Loss of Rs.1,888,736/- Due to Expiry of Plants/Stumps and Seed Recovery Thereof.**

**Divisional Forest Officer, Jhelum-Rs.82,321/-.**

**3.9.2004** The Department explained that recovery on account of loss of stumps, plants and seeds had been imposed on the defaulters including officials/officers of the Forest Department which was being effected from them. It was further stated that 23000 P. Plants valuing Rs.46,000/- were supplied to the other Department and cost thereof had been received.

The Committee directed the Department to effect the recovery of outstanding amount and also produce the relevant record about P. Plants to audit.

The para was kept pending.

**12.2.2005** The Department explained that recovery of Rs.3,550/- had been effected and verified by Audit. The Department further explained that a sum of Rs.6,712/- had also been deposited into Government treasury and balance recoveries were being effected on monthly basis as per entry in form 11.

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

**99.           Para No.17.2.**

**Divisional Forest Officer, Faisalabad-Rs.595,872/-.**

**3.9.2004** The Department explained that entire material i.e. plants and stumps had been disposed off which had been verified by Audit.

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

**100.           Para No.17.3.**

**C. F. R. M. Lahore-Rs.163,950/-.**

**3.9.2004** The Department gave facts and figures about the plants utilized in Government Forest and free distribution to Departments. An inquiry into the matter was also conducted which revealed that no loss had occurred to the Government. The Committee directed the Administrative Secretary to check the report and apprise PAC on 4.9.2004.

On 4.9.2004, the Administrative Secretary stated that he was satisfied with the findings of inquiry report and requested for settlement of the para.

The **Committee accepted the departmental contention and the para was settled.**

**101.           Para No.17.4.**

**C. F. Lahore Circle, Lahore-Rs.86,867/-.**

**3.9.2004** Audit had pointed out that receipt and disposal of certain plants had not been shown in the relevant record which meant that fictitious expenditure had been charged.

The Department explained item-wise details of the vouchers and stated that receipt and disposal of plants existed in the timber form No.7. In case of raising a new nursery, the department explained that provision for purchase and carriage of plants and stumps @ Rs.493/20 per acre existed in PC-I and DFO was competent to incur the expenditure from savings of other operations for re-forestation purpose. The department added that all entries regarding raising and disposal of plants were made in relevant form/nursery register which could be verified.

The Committee settled the para subject to verification of relevant record by Audit.

**12.2.2005** The Department explained that the requisite record had been verified by Audit.

The Department explained that as per note given in the revised PC-1 Scheme "Rough Cost estimate" the DFO was competent to incur the expenditure from the saving of the other operations.

On the statement of Chief Conservator that there was no financial irregularity involved in the para, the **Committee settled the para.**

**102.           Para No.17.5.**

**C. F. Lahore Circle, Lahore-Rs.13,700/-.**

**3.9.2004** The Department explained that total recovery on account stolen Peter Engine had been effected from the concerned Forest Guard.

Audit verified the departmental contention.

The **para was accordingly settled.**

**103.           Para No.17.6.**

**Divisional Forest Officer, Gujrat-Rs.532,330/-.**

**3.9.2004** Audit had pointed out that heavy quantity of planting stock was found outstanding whereas validity of stumps, seeds and plants had expired.

The Department explained that in the light of findings of an inquiry held into the matter, actual cost of plants and stumps had been recovered and verified by Audit.

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

**104.           Para No.17.7.****Divisional Forest Officer, Lahore/Sheikhupura-Rs.413,696/-.**

**3.9.2004**      Audit had pointed out that a huge quantity of seeds, plants and stumps had not been disposed off for years which ultimately expired resulting in huge loss to the government.

The Department explained item-wise position in each case and stated that actual recoverable amount was Rs.95,817/- out of which Rs.49,912/- had been recovered and verified.

The Committee settled the para subject to balance recovery and verification of relevant record by audit.

**12.2.2005**      The Department explained that recovery of Rs.13,100/- had been effected and verified by Audit. Moreover, recovery of Rs.23,630/- and Rs.9,175/- due from M/S Muhammad Yousaf ,Forester (Rtd) and Manzoor Hussain, Forester (Rtd) respectively had been shown in the NDC. The Chief Conservator explained that he himself had vetted the inquiry Report, being the Competent Authority and the balance recovery was being effected on monthly basis as per entry in Form 11.

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

**105.           Para No.18.1 Pages 28 & 29 of Audit Report for the year 1998-99; Unauthorized Transfer of Rs.15,223,288/-.****Divisional Forest Officer, Murree-Rs.638,000/-.**

**3.9.2004**      The Department explained that an amount of Rs.1 million was provided to DFO Murree to carry out certain items of work in compliance with the directions of Chief Minister Punjab. Later, an amount of Rs.638,000/- was reimbursed to DG, MKDA against the loan amount given to DFO Murree. The said amount, on receipt back from DG, MKDA, was utilized on purchase of various items of hardware and software.

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

**106.           Para No.18.2.****C. F. (Ext) P. F. S. D. P. Lahore-Rs.700,000/-.**

**3.9.2004** The Department stated that in these cases PLA accounts in NBP were got opened treating it as Government treasury to handle budgetary allocations under IDA and GOP shares with the permission of the Project Director. The Department added that as per findings of an inquiry held into the matter, only a procedural deviation from the rules was noticed and the concerned officer had retired.

Finance Department observed that the audit objection was correct and the amounts should have been deposited into Government Treasury. Therefore, regularization was required.

The Committee settled the para subject to necessary regularization by the Finance Department.

**12.2.2005** The Department explained that the case for regularization had been sent to the Finance Department and action was still awaited.

**The para was settled subject to regularization by the Finance Department.**

**107.           Para No.18.3.**

**C. F. (Ext) P. F. S. D. P. Lahore-Rs.8,896,747/-.**

**3.9.2004** The Department stated that in these cases PLA accounts in NBP were got opened treating it as Government treasury to handle budgetary allocations under IDA and GOP shares with the permission of the Project Director. The Department added that as per findings of an inquiry held into the matter, only a procedural deviation from the rules was noticed and the concerned officer had retired.

Finance Department observed that the audit objection was correct and the amounts should have been deposited into Government Treasury. Therefore, regularization was required.

The Committee settled the para subject to necessary regularization by the Finance Department.

**12.2.2005** The Department explained that the case for regularization had been sent to the Finance Department and action was still awaited.

**The para was settled subject to regularization by the Finance Department.**

**108.           Para No.18.4.**

**Director Punjab Forest Institute, Gatwala, Faisalabad-Rs.4,988,541/-**

**3.9.2004** The Department stated that in these cases PLA accounts in NBP were got opened treating it as Government treasury to handle budgetary allocations under IDA and GOP shares with the permission of the Project Director. The Department added that as per findings of an inquiry held into the matter, only a procedural deviation from the rules was noticed and the concerned officer had retired.

Finance Department observed that the audit objection was correct and the amounts should have been deposited into Government Treasury. Therefore, regularization was required.

The Committee settled the para subject to necessary regularization by the Finance Department.

**12.2.2005** The Department explained that the case for regularization had been sent to the Finance Department and action was still awaited.

**The para was settled subject to regularization by the Finance Department.**

**109. Para No.19 Page 30 of Audit Report for the year 1998-99;  
Unauthorized Deposit of Government Money With the Commercial Bank-  
Rs.29,749,211/-.**

**3.9.2004** The Department explained that two officers who opened this account were proceeded against departmentally and were penalized by the competent authority. The Department added that neither a cheque book was got issued nor any cash was drawn from the account.

Audit, however, observed that condonation of irregularity was required to be obtained from Finance Department.

The Committee settled the para subject to regularization by the Finance Department.

**12.2.2005** The Department explained that the case for regularization had been sent to the Finance Department and action was still awaited.

**The para was settled subject to regularization by the Finance Department.**

**110. Para No.20 Pages 30 & 31 of Audit Report for the year 1998-99;  
Doubtful/Irregular Expenditure of Rs.749,760/-.**

**3.9.2004** Audit had pointed out that the Department did not pursue the Judicial cases/ recovery on account of illegal cutting of trees and expenditure on plantation schemes was also doubtful.

The Department explained that recoveries had been imposed on various officials of the Forest Department on account of illegal cutting of trees which were being effected and a number of cases were pending with the Police for investigation or were under adjudication of courts.

The Committee took notice of slow progress of recovery and pendency of cases and decided to appoint the following Sub-Committee to examine the aforesaid paras and also visit Bahawalpur Zone and submit its report to PAC within 60 days:-

- |  |          |
|--|----------|
| 1. Rai Ijaz Ahmad, MPA (PP-171)          | Convener |
| 2. Syed Nazim Hussain Shah, MPA (PP-199) | Member   |

The Committee directed that Chief Conservator of Forest; Bahawalpur would assist the Sub-Committee.

The para was kept pending.

**12.2.2005** The Committee was informed that the Sub-Committee had not able to consider the para. Therefore, Committee decided to consider the para itself.

The Department explained in the meeting that the cases were being pursued in the police and the courts. In some cases recovery had been effected.

**The para was settled subject to satisfaction of Audit.**

**111. Para No.21 Page 31 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.97,860/- Without Sanction of Annual Plan of Operation.**

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**4.9.2004** The Department explained that the work duly approved by Conservator of Forest, Rawalpindi was carried out in Thirchak resumed land to save the area from encroachment and funds saved from other field operations amounting to Rs.99,975/- were utilized for the purpose.

Audit verified the departmental contention.



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

**112. Para No.22.1 Pages 28, 31 & 32 of Audit Report for the year 1998-99; Expenditure of Rs.406,649/- Over and Above the Budget Allocation.**

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**C.F. (Ext) P.F.S.D.P Lahore-Rs.270,126/-.**

**4.9.2004** The Department stated that the expenditure for raising/maintaining nurseries was incurred in accordance with PC-I and the World Bank Mission in the aid memoir had also considered the expenditure on demonstration nurseries as a valid charge under “Farmer Training and Mass Awareness”.

On the verification of departmental contention by audit, **the para was settled.**

**113. Para No.22.2.**

**C.F.P.F.S.D. Rawalpindi-Rs.136,523/-.**

**4.9.2004** The Department stated that vehicles were used to carry out extension activities in the project areas falling within the jurisdiction of Punjab Forest Sector Development Project, Rawalpindi.

On the verification of departmental contention by audit, **the para was settled.**

**114. Para No.23 Page 32 of Audit Report for the year 1998-99; Blockade of Government Money to the Tune of Rs.413,332/- Due to Purchase of Angle Iron in Excess of Requirements.**

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**4.9.2004** The Department stated that angle iron was purchased under development project “Aforestation and Range Development in state land of Barani Tract of Pothwar” for fencing. However, some angle iron for fencing could not be used due to stoppage of funding for the project by Federal Government. Recovery of 8.804 M. Ton had been imposed upon Muhammad Nawaz, ex-Forester.

The Committee was not satisfied with the departmental reply and directed it to hold an inquiry into the matter and fix responsibility under intimation to PAC.

The para was kept pending.

**12.2.2005** The Department explained that the inquiry had been finalized and vetted by the Chief Conservator and it had been concluded that it was a Federal Funded Scheme which was stopped by the Federal Government due to which the scheme remained unfunded and material could not be utilized; all the material had been accounted for and transferred to DFO Chakwal by the DFO Rawalpindi. There was no Government loss and all the material was safe.

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

**115            Para No.24 Page 36 of Audit Report for the year 1998-99; Recovery of Rs.298,716/- on Account of Conversion/Carriage Charges.**

**4.9.2004** The Department explained that a Committee constituted under the direction of Chief Minister, Punjab, got the trees collected and disposed them off through open auction. An amount of Rs.1,850,637/- was realized as auction money and adjusted in the accounts. Besides, an amount of Rs.368,122/- on account of cutting/conversion & carriage etc. was also recovered from C&W Department.

Audit verified departmental contention in the meeting.

The **para was settled.**

**116.            Para No.25 Pages 36 & 37 of Audit Report for the year 1998-99; Recovery of Rs.5,260,733/- Due to Less Realization of Surface Rent.**

**4.9.2004** Audit had pointed out lease money was enhanced from Rs.2/- to Rs.200/- per acre per annum but the Department failed to recover the lease money at revised rate.

The Department explained that as per minutes of meeting dated 5.10.1993, surface rent was to be levied for actual area under use. As determined by a committee appointed in this behalf, the actual recoverable surface rent from lessees was Rs.1,411,636/- instead of Rs.5,260,733/- out of which Rs.1,077,502/- had been recovered and adjusted in the accounts.

Finance Department observed that there was difference of opinion between the audit and the Administrative Department on this matter and that decision on financial policy issues should be taken in consultation with Finance Department.

The Committee directed that the Department should take financial policy decisions with the approval of the Finance Department and that balance recovery be also effected at the earliest.

The para was kept pending.

**12.2.2005** The Department explained that all out efforts were being made to recover the rest of lease money from the firms. However, matter required to be resolved between the Mineral Department and Forest Department.

The Department was directed to effect balance recovery at the earliest and the **para was kept pending.**

**117. Para No.26 Page 37 of Audit Report for the year 1998-99; Income Tax at Source Amounting to Rs.16,236/- not Recovered from the Contractors.**

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**4.9.2004** The Department stated that the para was discussed in the SDAC meeting held on 17.4.1999 and was reduced to Rs.16,236/- which had been recovered and credited to Government accounts.

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

**118. Para No.27.1 Pages 33 & 38 of Audit Report for the year 1998-99; Recovery of Excess Payment of US.\$3400 As Well As Rs.513,743/-.**

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**Divisional Forest Officer, Jhelum-Rs.91,035/-.**

**4.9.2004** Audit had pointed out that restocking of plants and redigging of pit was charged far excess than admissible in the schemes on Sohawa-Chakwal road and Jhelum -Pind Dadan Khan Road.

The Department explained that both the areas were badly affected by floods in 1997 and replanting/restocking was done in flood affected area as per instructions of C.F Rawalpindi.

The Committee directed that the Department should do physical verification of the position and produce relevant record to audit for verification.

The para was kept pending.

**12.2.2005** The Department explained that a physical verification had been carried out by the Chief Conservator of Forest, North Zone Rawalpindi who concluded that there was nothing wrong with the field work carried out at site.

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

**119.        Para No.27.2.****C.F. of P.F.S. Multan-Rs.110,650/-.****4.9.2004**        Audit had pointed out excess drawal of daily allowance in violation of rules.

The Department explained that some recovery had been made and the balance amount would also be recovered from the concerned officers/officials in due course.

The para was kept pending till balance recovery.

**12.2.2005**        The Department explained that out of total recovery of Rs.110,650/-, an amount of Rs.52,656/- had been recovered and verified by Audit. The remaining recovery was being effected on monthly basis as per entry in Form 11.

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

**120.        Para No.27.3.****C.F. of P.F.S. Punjab-Rs.99,798+US\$3,400.****4.9.2004**        Audit had pointed out missing of one canopy and demurrage charges with reference to purchase of a crawler bulldozer.

The Department stated that the para consisted of four parts. Regarding part (i), it was stated that at this stage there was no need to purchase canopy etc. of the dozer and, therefore, an amount of Rs.161,878/- had been deposited into Government treasury. About part (ii), the Department stated that liaison officer of S&GAD had been asked to recover amount of Rs.99,798/- from clearing agent. Referring to part (iii) & (iv) the Department stated that these had been settled in SDAC meeting dated 7.4.1999.

The para was kept pending for effecting recovery.

**12.2.2005**        The Department explained that matter was being pursued regularly and efforts were being made to effect the recovery from the supplier M/S Shah Nawaz (Pvt) Ltd.

The Department was directed to finalize the necessary action at earliest and the **para was kept pending.**

**121.        Para No.27.4.****C.F. Scrub Rawalpindi-Rs.57,335/-.**

**4.9.2004**        Audit had pointed out misappropriation of Rs.57,335/- through excess charging of carriage/planting of seeds.

The Department explained that the balance recovery of Rs.6,578/- had also been effected.

Audit verified departmental contention in the meting.

The **para was settled.**

**122.        Para No.27.5.****C.F.R.M. Lahore-Rs.38,658/-.**

**4.9.2004**        The Department explained that the total recovery of Rs.38,658/- had been made good through Form-II and got verified by Audit.

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

**123.        Para No.27.6.****C.F.P.F.S.D. Rawalpindi-Rs.63,784/-.**

**4.9.2004**        The Department explained that entire recovery had been made and deposited into Government treasury and the record would be got verified by Audit.

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

**12.2.2005**        The Department explained that the requisite record had been verified by Audit.

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

**124.        Para No.27.7.****C.F. (Ext) Lahore-Rs.52,483/-.**

**4.9.2004** The Department explained that entire recovery had been made and deposited into Government treasury and the record would be got verified by Audit.

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

**12.2.2005** The Department explained that the requisite record had been verified by Audit.

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

**125. Para No.28.1 Pages 33, 38 & 39 of Audit Report for the year 1998-99; Non Recovery of Rs.3,199,026/- on Account of Shortage/Loss of Forest Produce and Lease Money.**

**Divisional Forest Officer, Rahim Yar Khan-Rs.111,140/-.**

**4.9.2004** Audit had pointed out shortage of plants and stumps.

The Department stated that entire amount had been made good and got verified by Audit.

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

**126. Para No.28.2.**

**Divisional Forest Officer, Rahim Yar Khan-Rs.134,401/-.**

**4.9.2004** Audit had pointed out loss of trees/timber.

The Department explained that Mr. Ghulam Rasool and Mr. Hidayat Gillani, Forest Guards, were found responsible for the loss. Recovery from the salary of the former was being made regularly whereas the latter had retired and recovery would be effected at the time of payment of pension.

The para was kept pending for balance recovery.

**12.2.2005** The Department explained that recovery of Rs.93,482/- had been effected and verified by Audit. Balance recovery of Rs.71,025/- was being effected on monthly basis as per entry in Form 11.

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

**127.           Para No.28.3.**

**Divisional Forest Officer, Bahawalpur-Rs.503,063/-.**

**4.9.2004**      Audit had pointed out recoveries due from various officials on account of forest lossess.

The Department gave detailed facts and figures in respect of recoveries made and concluded that out of the total amount, Rs.383,723/- had been set aside by competent authority, Rs.46,908/- had been recovered and balance of Rs.33,976/- was yet to be recovered from two officials.

Audit, however, pointed out that as per their record the remaining recovery came to Rs.193,441/-.

The Committee directed that the Department should reconcile the figures with audit and effect balance recovery.

The para was kept pending.

**12.2.2005**      The Department explained that balance recovery of Rs.193,441/- was admitted out of which Rs.41,255/- had been recovered & verified by Audit and remaining recovery was being effected on monthly basis as per entry in Form 11.

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

**128.           Para No.28.4.**

**Divisional Forest Officer, Jhang-Rs.71,030/-.**

**4.9.2004**      Audit had pointed out that recovery imposed upon two Forest Guards was still lying outstanding.



The Department explained that the recovery orders had been set aside by the competent authority.

On the verification of departmental contention by Audit, **the para was settled.**

**129.           Para No.28.5.**

**Divisional Forest Officer, Jhang-Rs.49,600/-.**

**4.9.2004**       The Department explained that recovery of Rs.2,690/- had already been made and got verified during SDAC meeting held on 14.4.1999 and the recovery order in respect of balance amount had been set aside by competent authority.

On the verification of departmental contention by Audit, **the para was settled.**

**130.           Para No.28.6.**

**Divisional Forest Officer, Sargodha-Rs.50,100/-.**

**4.9.2004**       The Department stated that a sum of Rs.22,750/- had since been recovered from various officials and for the recovery of balance amount of Rs.27,350/- from Muhammad Zafar, Forest Guard, the case for recovery as arrears of land revenue had been referred to Revenue authorities. It was added that Muhammad Zafar had been dismissed from service and had gone abroad. There was no immovable property in his name. therefore, a case for write off would be moved to Finance Department.

The para was kept pending.

**12.2.2005**     The Department explained that case of write off of Rs.27,350/- had been submitted to the Finance Department which was still under process .

The Department was directed to pursue the case of write off vigorously with Finance Department and **para was kept pending.**

**131.           Para No.28.7.**

**Divisional Forest Officer, Gujranwala-Rs.31,984/-.**

**4.9.2004**       The Department explained that recovery for the shortage pointed out by audit was

imposed upon the official concerned and recovery process had also been started. However, in the meanwhile on an appeal preferred by him, the recovery order was withdrawn by Conservator of Forests, Coordination Lahore on production of original receipts regarding supply of plants to Pak Army.

On the verification of departmental contention by Audit, **the Committee settled the para.**

**132.           Para No.28.8.**

**Divisional Forest Officer, Muzaffargarh-Rs.198,627/-.**

**4.9.2004**       The Department explained that para was reduced to Rs.198,627/- in SDAC meeting held on 17.4.1999. Recovery to the tune of Rs.74,190/- had since been effected whereas recovery of Rs.8,510/- pointed out by audit against Ghulam Farid, FG was not due as per record. The remaining recovery was being effected regularly from the salaries of the officials concerned.

Audit, however, did not agree with the contention of the Department regarding the amount of Rs.8,510/-.

The Committee directed that the Department should effect balance recovery & get the same verified by audit.

The para was kept pending.

**12.2.2005**       The Department explained that recovery of Rs.51,440/- had been effected & verified by Audit and the remaining recovery was being effected on monthly basis as per entry in Form 11.

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

**133.           Para No.28.9.**

**Divisional Forest Officer, Faisalabad-Rs.494,798/-.**

**4.9.2004**       The Department stated that out of remaining amount of Rs.255,384/-, an amount of Rs.27,650/- had been recovered. The Department further explained the position about de novo inquiry against Yar Muhammad, Forest Guard etc. and stated that process of recovery from the officials concerned was continuing.

Audit reiterated its stance about balance recovery of Rs.227,734/-, and desired that the Department should pursue case of recovery of Rs.146,400/- in court of law and effect recovery of Rs.18,850/- from Yar Muhammad.

The Committee directed the department to pursue the court case and effect balance recovery as pointed out by audit.

The para was kept pending.

**12.2.2005** The Department explained that out of remaining recovery of Rs.246,284/-, recovery of Rs.23,650/- had been recovered and cases for the recovery of Rs.146,400/- were pending with the courts and same had not yet been decided.

**The Committee kept pending those cases which were pending in different courts for decision and settled those cases which were already decided by the courts imposing penalties subject to verification of record by Audit.**

**134.           Para No.28.10.**

**Divisional Forest Officer, Mianwali-Rs.122,350/-.**

**4.9.2004** Audit had pointed out recoveries amounting to Rs.122,350/- outstanding against various officials.

The Department explained that out of an amount of Rs.66,350/- a sum of Rs.51,100/- outstanding against Mr. Fakhar ud Din had been recovered and got verified by the Audit. The Department gave some other details in respect of Muhammad Altaf, Forest Guard.

Finance Department observed that even after conviction by the courts, the matters of recovery still remained unresolved and suggested that where necessary, cases for writing off of the loss be moved; the Department should also seek advice of Law Department where deemed appropriate and also propose amendments in relevant law/rules.

Administrative Secretary informed the Committee that certain amendments in Forest Act 1927 had been proposed with a view to enhancing the quantum of punishment and fines.

The Committee directed the Department to effect balance recovery and pursue the case for getting the law/rules amended.

The para was kept pending.

**12.2.2005** The Department explained that remaining recovery was being effected on monthly basis as per entry in Form 11. As regards the cases for recovery pending with the court of law, the same were being pursued vigorously.

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

**135.           Para No.28.11.**

**Divisional Forest Officer, Chichawatni-Rs.529,701/-.**

**4.9.2004** The Department explained that the actual amount of the para came to Rs.610,787/- and after deducting the amount already accepted by Audit, amount deleted/reduced by competent authority and the amount so far recovered, the balance recovery came to Rs.206,412/-.

Audit in its comments desired production of relevant record for verification.

The Committee directed that balance recovery be effected at the earliest and the relevant record be produced to Audit for verification.

The para was kept pending.

**12.2.2005** The Department explained that out of recoverable balance of Rs.218,077/-, an amount of Rs.39,885/- had been effected and verified by Audit. The remaining recovery was being effected on monthly basis as per entry in Form 11.

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

**136.           Para No.28.12.**

**Divisional Forest Officer, Gujrat-Rs.60,260/-.**

**4.9.2004** The Department stated that an amount of Rs.47,510/- was still recoverable from Muhammad Zafar, FG who had since been dismissed from service and had reportedly was out of country and that he had no movable/immovable property in his name.

The Committee observed that if there was no possibility of effecting the recovery, a case for writing off the loss be sent to Finance Department.

The para was kept pending.

**12.2.2005** The Department explained that a case for write off had been sent to the Competent Authority and the same was still under process.

The para was settled subject to write off sanction by the Competent Authority.

**137.           Para No.28.13.**

**Divisional Forest Officer, Lahore/Sheikhupura-Rs.44,386/-.**

**4.9.2004** The Department stated that balance recovery of Rs.11,736/- imposed upon Mr. Noor Hussain, Boatman, had been set aside by Conservator of Forest, Lahore. As a result of an inquiry, recovery of Rs.360/- was imposed upon him which had since been realized. It was added that recovery of Rs.18,750/- had also been effected.

On the verification of departmental contention by Audit, **the para was settled.**

**138.           Para No.28.14.**

**Divisional Forest Officer, Gujrat-Rs.40,000/-.**

**4.9.2004** The Department explained that the balance amount of Rs.16,881/- was being recovered through monthly installments.

The Committee kept the para pending till balance recovery.

**12.2.2005** The Department explained that recovery of Rs.5550/- upto 12/04 had been verified by Audit leaving a balance of Rs.11,331/-. The remaining recovery was being effected on monthly basis as per entry in Form 11.

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

**139.           Para No.28.15.**

**Divisional Forest Officer, Bahawalnagar-Rs.129,980/-.**

**4.9.2004** Audit had pointed out misappropriation of trees, angle iron and iron wire.

The Department stated that as a result of disciplinary proceedings, minor punishment of censure was imposed upon Zafar Ali Forester and Sami ur Rehman, Forest Guard. However, as

per the findings of inquiry, the material which was allegedly short had been recovered from the accused officials.

The Committee directed that the Department should get the inquiry report vetted by the Administrative Secretary and also produce the relevant record to Audit for verification.

The para was kept pending.

**12.2.2005** The Department explained that the inquiry had been sent to the CF for onward submission to the Administrative secretary for his necessary action.

**The para was settled subject to decision of inquiry by the Administrative Secretary and its verification by Audit.**

**140.           Para No.28.16.**

**Divisional Forest Officer, Bahawalnagar-Rs.212,975/-.**

**4.9.2004** The Department explained that out of balance amount of Rs.212,975/- a sum of Rs.32,480/- had further been recovered. It was further stated that as per an inquiry conducted, the planting area was bulldozed by Pak Army for construction of Helipad. Therefore, the inquiry officer had recommended exoneration of officials concerned.

Audit in its comments, however, suggested that either loss of Rs.184,495/- be recovered from Pak Army or it be got written off by competent authority and balance recovery be also effected.

The Committee observed that the Department should take appropriate action in the light of audit comments.

The para was kept pending.

**12.2.2005** The Department explained that out of balance recoverable amount of Rs.59,350/-, recovery of Rs.27,766/- had been effected. The remaining recovery was being effected on monthly basis as per entry in Form 11.

The Department was directed to get the loss written off from the Finance Department and **para was kept pending.**

**141.           Para No.28.17.**

**Divisional Forest Officer, Murree-Rs.77,631/-.**

**4.9.2004** The Department stated that the loss came to Rs.55,600/- and not Rs.77,631/- as pointed out by audit. It was added that the cases had since been decided by the courts, therefore, the officials concerned could not be held responsible for the loss. However, the case for write off sanction of Rs.55,600/- would be referred to the competent authority.

Audit pointed out that the loss of Rs.55,600/- be got written off by Finance Department and difference of Rs.22,031/- be also reconciled with audit.

The Committee conditionally settled the para subject to write off sanction by the competent authority and reconciliation of the difference of the remaining balance with audit.

**12.2.2005** The Department explained that the difference in figure amounting to Rs.22,031/- had been reconciled and verified by Audit .Moreover, a case for write off Rs.55,600/-had already been sent to the quarter concerned but the sanction was still awaited. The Department further explained that some cases were also decided by the court.

The Committee decided/recommended as under:-

- a) **The cases which had been decided by the Courts be treated as settled; and**
- b) **The cases which were pending for decision or write off sanction be treated as pending.**

**142. Para No.28.18.**

**Divisional Forest Officer, Murree-Rs.327,000/-.**

**4.9.2004** The Department explained that the case for payment of lease money and regularization of occupation after expiry of lease period were under process. The Department further stated that insofar as TDCP was concerned, no such area was leased out to TDCP. However, 15 acres area was resumed by BOR from Forest Department and leased out to M/S REDCO Pakistan Ltd. and rent thereof was being paid by lessee to BOR.

The Committee directed the Department to pursue the matter with GHQ and take further action in the light of audit observation with a view to finalize the matter at the earliest.

The para was kept pending.



**12.2.2005** The Department explained that the case had been referred to Quarter Master General GHQ Rawalpindi for regularization which was still under process.

The Department was directed to pursue the case for early finalization of the matter and para was kept pending.

**143.           Para No.28.19.**

**Divisional Forest Officer, Jhang-Rs.10,000/-.**

**4.9.2004** The Department stated that the total amount had been recovered and got verified by Audit.

On the recommendation of audit, the para was settled.

**144.           Para No.29 Pages 39 & 40 of Audit Report for the year 1998-99; Recovery Due to Loss of Rs.148,000/- on Account of Bogus Disposal of Polythen Bags Plants, Stumps and Seeds.**

**4.9.2004** The Department explained the item-wise position in the light of findings of an inquiry held into the matter. About item (A), it was stated that presumption of audit that same plants remained undisposed off was not based on facts. About item (B), the Department contended that requisite recovery had been effected and adjusted in the account. About item (c), it was stated that actual recovery came to Rs.3,563/- instead of Rs.28,500/- as pointed out by Audit.

Audit verified disposal of 55000 plants costing Rs.110,000/- and recovery on account of sale cost of 19000 stumps and 14250 plants from the concerned individuals.

The Committee accepted the departmental reply and settled the para.

**145.           Para No.30.1 Pages 35 & 40 of Audit Report for the year 1998-99; Irregular Payment of Rs.175,788/- on Account of Washing Allowance.**

**Divisional Forest Officer, Layyah-Rs.95,370/-.**

**4.9.2004** The Department stated that total amount had been recovered and got verified by the Audit.

On the verification of departmental contention by Audit, **the para was settled.**  
**146.           Para No.30.2.**

**Divisional Forest Officer, D. G. Khan-Rs.31,078/-.**

**4.9.2004**      The Department explained that washing allowance to Forest Guards had been continued vide Finance Department's letter No.FD-SR-1-9-6/2001 dated 29.5.2002. However, in some cases, some amount had already been recovered.

On the verification of departmental contention, **para was settled.**

**147.           Para No.30.3.**

**Divisional Forest Officer, Rajanpur-Rs.45,000/-.**

**4.9.2004**      The Department explained that washing allowance to Forest Guards had been continued vide Finance Department's letter No.FD-SR-1-9-6/2001 dated 29.5.2002. However, in some cases, some amount had already been recovered.

On the verification of departmental contention, **para was settled.**

**148.           Para No.30.4.**

**Divisional Forest Officer, Multan-Rs.4,340/-.**

**4.9.2004**      The Department explained that washing allowance to Forest Guards had been continued vide Finance Department's letter No.FD-SR-1-9-6/2001 dated 29.5.2002. However, in some cases, some amount had already been recovered.

On the verification of departmental contention, **para was settled.**

**149.           Para No.31.1 Pages 41 & 42 of Audit Report for the year 1998-99;  
Doubtful/Irregular Expenditure of Rs.1,092,134/-.**

**Divisional Forest Officer, Lahore/Sheikhupura-Rs.981,615/-.**

**4.9.2004**      The Department explained that the relevant record was available which could be verified by Audit.

The Committee settled the para subject to verification of record by the Audit within

30 days.

**12.2.2005** The Department explained that the requisite record had been verified by Audit.

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

**150.           Para No.31.2.**

**Divisional Forest Officer, Jhelum-Rs.92,695/-.**

**4.9.2004** The Department explained that the relevant record was available which could be verified by Audit.

The Committee settled the para subject to verification of record by the Audit within 30 days.

**12.2.2005** The Audit observed that the requisite record regarding five nurseries had been produced by the Department and the same was verified but the Department could not show the disposal of 7862 plant of Sheikupura Nursery and 400 plants of Dina Nursery. Moreover, recovery of Rs.16,524/-was also not made good.

The **para was settled subject to balance recovery and verification of relevant record by Audit.**

**151.           Para No.31.3.**

**Divisional Forest Officer, Gujrat-Rs.17,824/-.**

**4.9.2004** The Department explained that total amount had been recovered and got verified by the Audit.

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

### **SPECIAL OBSERVATION/DIRECTION.**

**15.11.2003** The Administrative Secretary stated that the Forest Act 1927, provided for punishment of six months imprisonment or Rs.500/- fine in Forest offence cases. The law needed amendment for rationalizing the quantum of punishment.

The Department was directed to get the requisite amendments in the law, processed and enacted by the competent authorities and forum at the earliest.

In view of a very large number of Forest offence cases, the Administrative Department may consider to create a separate Litigation Cell for pursuing the court cases.

The Committee observed that the quantum of recovery imposed on the officials in the Forest offence cases was enormous.

The Administrative Department must take drastic measures to avoid damage, theft and losses and for making recovery of the losses.

## **TOURISM DEVELOPMENT CORPORATION, PUNJAB**

### **Audit Paras (Commercial) for the year 1998-99**

#### **152.        Para No.3(xii) Page 6 of Audit Para for the year 1998-99; Non Submission of Commercial Accounts of Jallo Rosin and Turpentine Factory.**

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**13.11.2003** The Audit had pointed out that the Department had not submitted Commercial Account of Jallo Rosin and Turpentine Factory. The Department explained that the accounts had not been submitted because the factory was closed in 1998 and no staff was available for preparing the accounts. Now the Commercial Accounts for the year 1997-98 to 2000-2001 had been prepared and submitted to the Director General, Commercial Audit.

The Department further explained that a Committee had been appointed by the Finance Department for auction of the machinery and the assets of the factory and in this connection the Finance Department had advised the Administrative Department to get the services of Chartered Accountants for price determination of the machinery and equipments. However, the Administrative Department was of the view that the engagement of the Chartered Accountants would be more costly, therefore, the Administrative Department would submit a summary to the Chief Minister.

The Department was directed to complete the auction/necessary action at the earliest.

The para was kept pending.

**11.2.2005** The Department explained that on directions of Finance Department, various firms

of Chartered Accountants were contacted to obtain their services for price determination reserve price of Jallo Rosin and Turpentine Factory. The lowest rate of Rs.275,000/- was received and accordingly a reference for provision of funds was processed.

The Department was directed to get the evaluation of the equipments of Jallo Rosin and Turpentine Factory from the Industries Department as it was the most economical way than the evaluation from the CA. **The para was kept pending for finalization of the case.**

**153.            Para No.3(xiii) Page 6 of Audit Para for the year 1998-99; Tourism Development Corporation of Punjab, Lahore.**

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**13.11.2003**    The Audit had pointed out that the accounts of the Corporation had not been compiled and sent for the Audit for the year 1998-99.

The Department explained that the accounts for the year 1998-99 were prepared in time and certified by the Chartered Accountants but Annual General Meeting for these years was not held due to which the accounts were not submitted in time. Now the accounts of the organization had been printed in the ARPSE (Punjab).

The Committee settled the para with the direction that in future the accounts be presented in Annual General Meeting.

**4.9.2004**        The Department explained that the accounts of Tourism Development Corporation Punjab up to the year 2002-2003 were approved in AGM meeting held on 25.8.2004 but minutes of the said meeting were awaited.

The Committee settled the para subject to production of minutes of AGM meeting to Audit.

**12.2.2005**      The Department explained that the requisite minutes of the Annual General Meeting had been produced.

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

**154.            Para No.13 Page 20 of Audit Para for the year 1998-99; Irregular expenditure of Rs.319,522/- on the renovation work and non-recovery of unspent advances of Rs.525,092/-.**

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**13.11.2003** The Department explained that during the years 1989-90 and 1990-91, Hafiz Muhammad Hussain, Ex-Deputy Manager, TDCP was given various advances for execution of official jobs. On the date of his relieving from TDCP an amount of Rs.606,591/- was still to be adjusted by him. An amount of Rs.436,835/- had since been adjusted leaving an outstanding balance of Rs.169,756/-. The officer had given in writing that the same may be recovered from his pensionary benefits.

The Committee settled the para subject to recovery and its verification by Audit.

**4.9.2004** The Department stated that during the year 1989-90 various advances were paid to Mr. Muhammad Hassan, ex-Deputy Manager, TDCP for execution of official jobs. The balance on the date of his relieving from TDCP (i.e. 30.4.1994) after adjustments made in the accounts was Rs.169,756/66. The officer had also furnished different payment vouchers of Rs.192,338/- relating to renovation of office of then Chairman TDCP which were not verified by CM's Secretariat with the plea that record prior to October 1999 was not available with them. The officer had also approached the Provincial Ombudsman for release of his pensionary benefits which had been stopped by AG Punjab on the request of TDCP.

Finance Department observed that the officer concerned was responsible for adjustment of accounts and verification of vouched accounts was also required.

M.D TDCP requested for keeping the para pending as they further wanted to look into the matter.

The Committee directed that Department should make necessary probe and submit its report within one month to PAC.

The para was kept pending.

**12.2.2005** The Department explained that the adjustment of advance of Rs.76,594/- was still pending as the case of officer concerned was under adjudication with Provincial Ombudsman.

The Committee settled the para without prejudice to the decision of Provincial Ombudsman.

**155. Para No.14 Page 21 of Audit Para for the year 1998-99; Non-recovery of advertisement charges Rs.162,421/-.**

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**13.11.2003** The Audit pointed out that the Corporation had not recovered the advertisement charges of Rs.208,421/- from various organizations for their commercial publicity in the

Corporation Brochure/ Magazine “Sayyahat Nama”. The Department ensured that the whole amount would be recovered within next six months.

The Committee settled the para subject to recovery within 6 months and its verification by the Audit.

**4.9.2004** The Department stated that all the officers who were assigned duties to release and collect advertisements had left TDCP as a result of “Golden Handshake Scheme/Resignation” and publication of Sayyahat Nama had been closed. There being no documentary or other evidence, the chances of recovery of Rs.162,421/- were remote. Therefore, TDCP had decided to refer the case to BOD for write off.

The Committee observed that the Department should take appropriate action for resolving the matter.

The para was kept pending.

**12.2.2005** The Department explained that the publication of a small magazine named “Sayyahat Nama” was started by TDCP during 1988-89. The magazine could not get reasonable circulation. TDCP tried to make it commercially viable by printing of advertisements of private and public sector organizations. All the officers who were assigned the duties to release and collect the advertisements and to recover the bills had left the TDCP by Golden Handshake Scheme/resignation. The publication of “Sayyahat Nama” had been closed. TDCP had decided to refer the case to BOD for write off.

The **Committee settled the para subject to regularization/ write off by the competent authority.**



The Committee examined the Accounts of the Health Department in its meetings held on 11.3.2004, 12.3.2004, 13.3.2004, 6.7.2004, 10.11.2004, 11.11.2004 and 13.11.004 and made the following recommendations:-

## **GENERAL OBSERVATIONS**

**11.3.2004** The Committee directed that a letter be addressed to the Chief Minister Punjab with the request to direct all the Administrative Secretaries to come fully prepared in respect of appropriation accounts and draft paras in coordination with the AG Punjab and the Audit with a view to explaining the position in the right perspective to PAC to avoid wastage of time and energies. A copy of this letter may also be endorsed to Mr Speaker.

It was brought to the notice of the Committee that a directive had been issued by the Chief Minister Punjab to the effect that those officers against whom draft paras were pending should not be promoted unless such paras were cleared/settled. AT this stage it was pointed out that a few promotions were made in spite of pendency of draft paras against the officers/doctors concerned, whereas cases of a number of officers had been deferred although either no draft para was pending or had been settled.

The Committee, however, felt that tagging of draft paras with the promotion of officers was creating hardships to the officers waiting for promotion for many years because a lot of such paras when considered by the PAC proved to be unfounded and resultantly were dropped. The Committee decided to request the Chief Minister/ Competent Authority to review/withdraw this condition.

## **Health Department**

### **Audit Paras (Civil) for the year 1998-99**

The Committee in the context of the draft paras of the Health Department observed that in most of the paras a number of doctors/other employees were involved. The committee was of the view that officers concerned should be given an opportunity to defend their position where deemed appropriate. The Finance Department, however, observed that as per the provisions of the Budget manual, the Administrative Secretary/Principal Accounting Officer was responsible for making presentation before the Committee after consulting the relevant record and obtaining comments from the officers/officials concerned. However, the Committee could call any officer to explain his position, if deemed fit, in any specific case.

The Committee kept pending the consideration of the draft paras of Health Department till 12.3.2004 and directed the Health Department to call all the officers etc. who

were connected with the draft paras pertaining to Lahore, Faisalabad and Gujranwala to attend its meeting on 12.3.2004.

1. **Para No.1 Page 11 of Audit Report for the year 1998-99; Irregular/ appointments over and above the sanctioned strength involving- Rs.14,458,521/-.**
2. **Para No.2 Pages 11 & 12 of Audit Report for the year 1998-99; Drawal of Rs.1,109,008/- as pay of terminated persons.**
3. **Para No.3 Page 12 of Audit Report for the year 1998-99; Embezzlement of Rs.757,590/- on account of fictitious billing.**
4. **Para No.4 Pages 12 & 13 of Audit Report for the year 1998-99; Drawal of Rs.341,192/- through bogus L.P.Cs.**

**13.3.2004** The Department explained that either the matter was subjudice or inquiries were held in respect of issues involved in the aforesaid paras.

Dr. Muhammad Arshad Rana the then DHO Pakpattan appeared before the Committee and submitted that the advance paras pertaining to above mentioned 5 draft paras already stood settled by SDAC but the same had been reproduced in the instant audit report. He further stated that in all these cases, departmental inquiries had been held and he was found innocent and that in a Court Case filed in Lahore High Court, Multan Bench and in NAB proceedings, he was exonerated. His contention was that the draft paras had intentionally been reproduced in the Audit report.

The Committee after hearing the version of the officer decided to appoint a Sub-Committee comprising Mian Atta Muhammad Khan Manika (Convener) and Mr. Ali Hasan Raza Qazi to probe into the aforesaid draft paras in the light of relevant record, the version of the then DHO, views of the department and the audit and submit its report/recommendations to the Committee within 30 days.

The above paras were kept pending.

**11.11.2004** The Department explained that the para Nos. had been referred to Sub-Committee-VI of PAC-I in its meeting held on 13.3.2004 but the Sub-Committee could not hold its meeting due to sickness of Mr. Ata Muhammad Khan Manika, MPA (PP-227).

The Committee after due consideration of the matter re-appointed the Sub-

Committee-VI comprising the following:-

- i) Mr. Ali Hassan Raza Qazi, MPA (PP-73) Convener
- ii) Pir Kashif Ali Chshti, MPA (PP-231) Member

The Sub-Committee would probe into the matter pertaining to the paras and submit its report to PAC-I within 30 days.

**The paras were kept pending.**

**5. Para No.5 Page 13 of Audit Report for the year 1998-99;  
Embezzlement on Account of Repair of Medical Equipments/Instruments  
Valuing Rs.356,540/-.**

**11.11.2004** The para was discussed in the PAC on 11-13 March 2004 and kept pending for consideration of Sub-Committee-VI of PAC-I.

The Department explained that the para had been referred to Sub-Committee-VI of PAC-I in its meeting held on 13.3.2004 but the Sub-Committee could not hold its meeting due to sickness of Mr. Ata Muhammad Khan Manika, MPA (PP-227).

The Committee after due consideration of the matter re-appointed the Sub-Committee-VI comprising the following:-

- i) Mr. Ali Hassan Raza Qazi, MPA (PP-73) Convener
- ii) Pir Kashif Ali Chshti, MPA (PP-231) Member

The Sub-Committee would probe into the matter pertaining to the para and submit its report to PAC-I within 30 days.

**The para was kept pending.**

**6. Para No.6 Page 14 of Audit Report for the year 1998-99; Fraudulent  
allocation of funds worth Rs.158,000/-.**

**13.3.2004** The Department explained that either the matter was subjudice or inquiry was held in respect of issue involved in the aforesaid para.

Dr. Muhammad Arshad Rana the then DHO Pakpattan appeared before the Committee and submitted that the advance para pertaining to above mentioned draft para already

stood settled by SDAC but the same had been reproduced in the instant audit report. He further stated that in the case, departmental inquiry had been held and was found innocent and that in a Court Case filed in Multan High Court and in NAB proceedings, he was exonerated. His contention was that the draft para had intentionally been reproduced in the Audit report.

The Committee after hearing the version of the officer decided to appoint a Sub-Committee comprising Mian Atta Muhammad Khan Manika (Convener) and Mr. Ali Hasan Raza Qazi to probe into the aforesaid draft paras in the light of relevant record, the version of the then DHO, views of the department and the audit and submit its report/recommendations to the Committee within 30 days.

The above para was kept pending.

**11.11.2004** The Department explained that the para had been referred to Sub-Committee-VI of PAC-I in its meeting held on 13.3.2004 but the Sub-Committee could not hold its meeting due to sickness of Mr. Ata Muhammad Khan Manika, MPA (PP-227).

The Committee after due consideration of the matter re-appointed the Sub-Committee-VI comprising the following:-

- i) Mr. Ali Hassan Raza Qazi, MPA (PP-73) Convener
- ii) Pir Kashif Ali Chshti, MPA (PP-231) Member

The Sub-Committee would probe into the matter pertaining to the paras and submit its report to PAC-I within 30 days.

The para was kept pending.

## **7. Para No.7 Pages 14 of Audit Report for the year 1998-99; Misappropriation of medicines worth Rs.895,087/-**

**13.3.2004** Audit had pointed out that medicines worth Rs.895,087/- were supplied by the Government MSD to DHO Lahore but these were not found entered in the relevant stock register.

The department explained that the para had been discussed in SDAC meeting held on 17-2-1999 which observed that accountal of medicines for Rs.735,267/40 had already been verified in SDAC meeting dated 22.12.1998 and that accountal of Rs.147,711/50 also stood verified. The para was kept pending for want of receipt of medicines costing Rs.12,108/-. The Department further stated that after taking into account some amount mentioned excess in the para and some amount which was required to be added due to supply of some medicines by MSD, the difference was of Rs.1/30 which was negligible.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**11.11.2004** The Department explained that relevant record had been produced to Audit and adjustment of medicines with MSD had also been produced for verification. Moreover, the DDO had been advised to be careful in future.

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

**8. Para No.8 Page 15 of Audit Report for the year 1998-99;  
Embezzlement of Rs.148,600/- in the Purchase of Blankets.**

**13.11.2004** Audit had pointed out that the Department made payment for fine quality blankets against supply of ordinary quality blankets.

The Department explained that a case in this connection was registered with ACE. All the relevant record was in the custody of National Accountability Bureau. However, after hectic efforts record pertaining to subject para had been received back from the NAB and same could be verified.

The Committee directed that a departmental probe should also be conducted into the matter and record be got verified by Audit.

**The para was kept pending.**

**9. Para No.9 Pages 15 & 16 of Audit Report for the year 1998-99;  
Embezzlement of Rs.138,350/- in the Purchase of Stationary Articles.**

**13.11.2004** The Department explained that all the relevant record was in the custody of NAB Authority for investigation. However, the same had been received back. All the stock entries of stationery articles were made in relevant register and substandard articles were got replaced.

**The para was kept pending with direction that the matter be produced into departmental level.**

**10. Para No.11 Pages 16 & 17 of Audit Report for the year 1998-99;  
Misappropriation of medicines worth Rs.105,000/-**

**6.7.2004** The Department explained that as per the findings of an inquiry held into the matter, the store items mentioned in the audit para were not medicines but various surgical items for use in operation theatre etc.

On the request of the department, the para was kept pending for production of inquiry report/record to audit for verification.

**11. Para No.12 Page 17 of Audit Report for the year 1998-99; Misappropriation of Rs.228,523/- Due to Non Accountal of Miscellaneous Articles.**

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**11.11.2004** Audit had pointed out that Department purchased various articles and the same were not entered in relevant stock registers.

The Department explained that entire record was available which could be verified by Audit.

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

**12. Para No.13 Pages 17 & 18 of Audit Report for the year 1998-99; Embezzlement of Rs.451,755/- drawn on account of gas charges.**

**13. Para No.14 Page 18 of Audit Report for the year 1998-99; Embezzlement of Government receipt amounting to Rs.1,140,578/-.**

**14. Para No.15 Page 19 of Audit Report for the year 1998-99; Embezzlement of Rs.500,000/- drawn on account of rent, rates & taxes.**

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**12.3.2004** The department explained that the amount covered in the above mentioned three paras was Rs.2,092,333/- which was embezzled by Mr Zafar Iqbal, Accountant/Cashier. A case had been got registered against him with Anti Corruption Establishment, Faisalabad.

The department further stated that the official was also involved in other draft paras of audit report for the year 1999-2000 on the charge of embezzlement of Government money. The PAC-II, had directed that all the paras involving embezzlement on the part of Mr Zafar Iqbal be clubbed together and the case be referred to NAB for further action. In compliance with the directions of PAC, a consolidated case was being sent to NAB.

The Committee kept the paras pending and directed the department to club all the aforesaid three paras and send a consolidated case to NAB for further action.

**10.11.2004** The Department explained that in compliance with PAC directions, the case had been sent to National Accountability Bureau which had referred the same to the Anti Corruption



Establishment vide letter dated 16.9.2004.

The Committee directed the Department to pursue the case with Anti Corruption Establishment.

The **paras were kept pending.**

**15.            Para No.16 Pages 19 & 20 of Audit Report for the year 1998-99;  
Misappropriation of examination fee amounting to Rs.560,000/-.**

**12.3.2004**      Audit had pointed out that examination fee of Rs.8000/- per annum was being received for the last ten years from the University of the Punjab on account of use of laboratory and chemicals of Fatima Jinnah Medical College Lahore during examinations. Neither the record of receipts was maintained nor was the vouched account of the chemicals purchased was produced to audit.

The department explained that the matter related to financial transactions of the Punjab University directly with the heads of various departments who submitted vouched accounts to University without the involvement of administration of Fatima Jinnah Medical College.

Finance Department observed that the audit should look into this matter while doing audit of the University.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**10.11.2004**    The Department explained that in compliance with PAC direction record pertaining to acknowledgement of vouched accounts of advances had been produced to Audit for verification.

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

**16.            Para No.17 Page 20 of Audit Report for the year 1998-99; Likely  
misappropriation of Rs.129,617/-.**

**12.3.2004**      Audit had pointed out that chemical tests of patients of Sir Gang Ram Hospital were being carried out in the Laboratories of Fatima Jinnha Medical College. The fee so realized from the patients was neither entered in any register nor were the receipts issued to the patients in lieu of money received from them.

The department explained that all the tests were done free of cost and only donations in some cases were obtained from willing patients and utilized for petty purchases. As



it was not a charged expenditure, therefore, the department was not accountable.

The Committee accepted the explanation of department and **settled the para.**  
**17.            Para No.19 Page 21 of Audit Report for the year 1998-99; Loss of**  
**Rs.1,283,242/- Due to Theft.**

**11.11.2004**    Audit had pointed out that an amount of Rs.1,283,242/- drawn as salary of nurses was snatched from the Cashier which was not recovered.

The Department explained that an FIR against the dacoity of said amount was registered with Police Station Garden Town, Lahore. After detailed investigation, the police authorities could not trace out the culprits. However, E&D proceedings were initiated against the cash handling staff and minor penalties were imposed.

The Committee directed the Department to take up the matter with the Inspector General of Police with reference to directions of PAC and get the amount write off by the competent authority.

The **para was conditionally settled subject to write off sanction by the competent authority.**

**18.            Para No.21 Page 22 of Audit Report for the year 1998-99; Likely**  
**misappropriation of Rs.2,888,160/- due to non-return of repairable articles.**

**13.3.2004**    The department explained that all the serviceable articles after getting repaired had been returned to the concerned wards. The record was available for verification.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**6.7.2004**    The Department explained that as a result of an inquiry held into the matter, all the articles had been repaired and returned to the concerned wards. The findings of the inquiry were accepted by the Competent Authority.

The Committee accepted the explanation of the department and **settled the para.**

**19.            Para No.22 Pages 22 & 23 of Audit Report for the year 1998-99;**  
**Embezzlement of Rs.101,151/-in Cash Book.**

**13.11.2004**    Audit had pointed out that the balance of cash book on 11.5.98 was neither carried

forward nor disbursed.

The Department explained that E&D proceedings had been initiated against the accused officers and Member-II (Inquiries) S&GAD was probing into the matter. The case was also under trial in the court of Senior Special Judge Anti Corruption, Lahore.

The para was kept pending.

**20.            Para No.23 Page 23 of Audit Report for the year 1998-99;  
Embezzlement of Rs.396,000/-in the Purchase of Sign Board..**

**13.11.2004** The Department explained that DHS Lahore was requested to initiate E&D proceedings against the accused officials but the scrutiny of record revealed that all the sign/direction boards were physically available at site.

However, the Committee was not satisfied with the departmental reply and directed that senior officer should probe into the matter and submit report to PAC within 30 days.

The para was kept pending.

**21.            Para No.25 Page 24 of Audit Report for the year 1998-99;  
Embezzlement of Rs.11,448,000/- on Account of Bogus  
Appointments.**

**11.11.2004** Audit had pointed out that certain employees were appointed without observing prescribed method and qualification.

The Department explained that some of the appointments were found bonafide in departmental inquiry and in remaining cases charge sheets were framed against the concerned DHOs but E&D proceedings could not be initiated due to missing of relevant record. However, recently the disciplinary action had been initiated again.

The Committee directed the Department to finalize the disciplinary proceedings and get the matter regularized by the competent authority.

The para was kept pending.

**22. Para No.26 Pages 24 & 25 of Audit Report for the year 1998-99; Misappropriation of Rs.156,192/- due to non accountal of store/stock.**

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**13.3.2004** The department explained that the para had been settled by SDAC in its meeting held on 30-1-2001. The record of balance amount of Rs.55514/- had been verified by audit.

On the recommendation of audit, **the Committee settled the para.**

**23. Para No.27 Page 25 of Audit Report for the year 1998-99; Misappropriation of Rs.1,530,000/- Due to Bogus Appointments and Drawal of Pay and Allowances.**

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**11.11.2004** Audit had pointed out that 51 persons were appointed against different posts without observing codal formalities.

The Department explained that a fact finding inquiry had been conducted into the matter and in the absence of requisite record the appointments proved to be suspicious. Therefore, charge sheets had been prepared against the concerned appointing authority.

The Committee directed the Department to finalize the disciplinary proceeding and get the matter regularized by the competent authority.

**The para was kept pending.**

**24. Para No.28 Pages 26 of Audit Report for the year 1998-99; Fraud of Rs.151,130/- by cashier**

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**6.7.2004** The Department explained that as per the judgment announced by Special Judge Anti Corruption on 14.10.2002, a sum of Rs.99,945/- had been recovered from Fayaz Ahmad, co-accused and disbursed amongst the staff as this amount pertained to their salaries. The Department further stated that the entire amount involved in the para had been recovered and deposited into Government treasury.

The audit stated that the requisite record had not so far been produced to them.

The Committee directed the Department to produce the relevant record to audit for verification.

**The para was kept pending.**

**25. Para No.29 Pages 26 & 27 of Audit Report for the year 1998-99; Misappropriation of X-Ray films valuing Rs.219,104/-.**

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**12.3.2004** Audit had pointed out non receipt of 9050 Nos of X-rays films worth Rs.219,104.

The department explained that in a fact finding inquiry Mr. Abdul Qayyum, Radiographer was found responsible for the loss. The accused had deposited Rs.47,062/- and had been allowed to deposit 1/3 of his pay through computer regularly since 8/2000. Meanwhile, EDO (Health), Faisalabad had been directed to initiate proceedings against him under E&D Rules.

Audit in its comments verified the recovery of the entire amount.

The Committee settled the para and directed the Administrative Secretary to take further action against the accused official as deemed fit.

**26. Para No.30 Page 27 of Audit Report for the year 1998-99; Irregular Drawal of Rs.1,918,428/- on account of pay of irregularly appointed staff.**

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**6.7.2004** Audit had pointed out that appointments were made over and above the sanctioned strength in violation of the recruitment policy.

The Department explained that all irregular appointments of Government servants were terminated. However, as a result of litigation between the officials and the Department, the case was adjudicated upon by the Supreme Court which remanded the case to the department for appropriate action at its end. After holding an inquiry, some of the employees had been reinstated and the matter about effecting recovery from the remaining officials was under consideration.

The Committee taking a lenient view because the irregular appointees were low paid staff directed the department to get the amount regularized from the Competent Authority.

The para was settled subject to regularization by competent authority.

**27. Para No.31 Pages 27 & 28 of Audit Report for the year 1998-99; Embezzlement of Rs.49,000/- on account of repair of transformer.**

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**28. Para No.32 Page 28 of Audit Report for the year 1998-99; Embezzlement of Rs.54,612/- on account of purchase of X-Rays films.**

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**29. Para No.33 Pages 28 & 29 of Audit Report for the year 1998-99; Embezzlement of Rs.49,346/- in utility bills.**

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**13.3.2004** The Department explaining the position about all the above paras stated that as a result of inquiry held, major penalty of dismissal from service with recoveries were imposed on Dr. Mukhtar Ahmad, ex-M.O and Muhammad Qadir, Junior Clerk who later absconded with the record. Dr. Mukhtar Ahmad was reinstated into service by PST with the direction that inquiry afresh be conducted. Therefore, Dr. Mukhtar had again been charge sheeted.

Dr. Mukhtar Ahmad (Ex-MO)/the then DDO, appeared before the Committee and explained his position interalia stating that after his transfer he came to know that the Junior Clerk Mr. Muhammad Qadir had taken away the pay of the staff along with the relevant record. He further stated that he had since been reinstated into service by PST.

The Committee directed the above paras be clubbed together and fresh inquiry proceedings be finalized at the earliest under intimation to PAC.

The aforesaid paras were kept pending.

**11.11.2004** The Department explained that relevant record i.e. dismissal order of Health Department, judgment of PST, re-instatement orders of Dr. Mukhtar Ahmed were available for verification however, the inquiry proceedings could not be finalized due to frequent transfer of EDO (Health), Multan. However, the matter was sub-judice in the court.

The paras were kept pending.

**30. Para No.35 Pages 29 & 30 of Audit Report for the year 1998-99; Embezzlement of Government revenue amounting to Rs.2,118,250/- collected unlawfully.**

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**12.3.2004** Audit had pointed out that X-Ray films were purchased from private sources but were developed/processed by utilizing the Govt. resources. The amounts realized from patients were being deposited into private account without paying the due share of Government.

The department explained that due to shortage of funds adequate supply of X-ray films was not possible. Hence Radiology Department was allowed to arrange X-ray films from their own source to provide facilities at film's cost to patients needing them. The developer/fixer already available in hospital was used in patient's interest. Therefore, there was neither misuse nor misappropriation of developer/fixer. A inquiry into the matter was held and as per its findings, the entire process was all right. However, cost of fixers, found short had been deposited into Govt. treasury.

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

**31.            Para No.36 Page 30 of Audit Report for the year 1998-99;  
Misappropriation of medicines valuing-Rs.934,983/-.**

**12.3.2004**      The department explained that medicines received in main store were properly defaced before issue. Moreover, the empties of all precious medicines were received back, while issuing the medicines on the new indent. A fact finding inquiry was also held and as per its report there was no misappropriation of medicines. However, the inquiry report was not approved by the competent authority and had been remanded back for further probe.

The Committee kept the para pending and directed the department to finalize the inquiry proceedings and fix responsibility at the earliest.

**10.11.2004**    The Department explained that a fact finding inquiry was held into the matter which revealed that all the medicines which were issued from the main store to various wards, dispensaries and operation theatres were properly accounted for in the relevant stock registers and there was no misappropriation of medicines.

The Committee directed the Department to get the relevant record verified by Audit.

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

**32.            Para No.37 Pages 30 & 31 of Audit Report for the year 1998-99;  
Misappropriation due to un-substantiated expenditure of Rs.706,038/- on  
POL.**

**12.3.2004**      Audit had pointed out that payment was made for purchase of POL; but no record like log books of vehicles was produced to audit.

The department explained that the record regarding consumption of POL was burnt in fire incident which occurred due to short circuiting and 2 floors were burnt. An FIR was lodged and audit was also informed accordingly. In compliance with audit observation, a fact finding enquiry was also held and as per its findings, the incident occurred due to short circuiting of the electric wires for which no body could be held responsible nor the circumstances were within the control of the management.

The Committee accepted the explanation of the department and **settled the para.**



**33.            Para No.38 Pages 31 & 32 of Audit Report for the year 1998-99;  
Misappropriation and unlawful collection of Rs.221,375/-.**

**12.3.2004**      Audit had pointed out that patients were required to pay Rs.10/- per head at the time of admission but they were being charged Rs.20/- per head at the time of admission and Rs.15/- at the time of discharge.

The Department explained that collection of Rs.20/- per head other than the admission fee of Rs.10/- was not based on facts nor any documentary proof to this effect was given by the audit.

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

**34.            Para No.39 Page 32 of Audit Report for the year 1998-99; Bogus  
drawal of pay valuing Rs.151,128/-.**

**12.3.2004**      Audit had pointed out that some officials availed leave on half pay & EOL without pay but full pay was paid to them. Similarly some officials who remained absent from duty or who had retired from service, their pay was regularly drawn from treasury which had caused loss to Government.

The department explained that as per inquiry report recoverable amount was Rs.148,374/- instead of Rs.151,128/-. An amount of Rs.36,707/- had been recovered against incorrect recovery of Rs.60,219/- calculated by audit. An amount of Rs.50,324/- was not found recoverable due to various reasons, and the remaining amount of Rs.37,831/- was rightly paid to House Surgeons who performed their duties.

The Committee conditionally settled the para, subject to verification of relevant record by audit.

**10.11.2004**    The Department explained that recovery of Rs.42,189/- had already been effected and recovery of Rs.69,939/- was not due in view of available record which had also been verified by Audit. The Administrative Secretary assured the Committee that there was no fraudulent drawal of pay by any officer involved in the matter.

In view of above statement, **the Committee settled the para.**

**35.            Para No.40 Pages 32 & 33 of Audit Report for the year 1998-99;  
Embezzlement of Rs.3,646,583/- by the Cashier.**



**11.11.2004** The Department explained that as per findings of inquiry into the matter, the then Medical Superintendent and Cashier were found responsible for financial irregularities and a case in this connection was under trial in the court of Special Judge Anti Corruption Punjab, Lahore.

The issue involved in the para being sub-judice the **para was kept pending.**

**36. Para No.41 Page 33 of Audit Report for the year 1998-99; Embezzlement of Rs.957,986/- on account of sui gas/electricity charges.**

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**6.7.2004** The Department explained that the then Medical Superintendent Dr. Saqib and Abdul Majeed, Senior Clerk had since been dismissed from service and the amount of recovery had been apportioned between them. Moreover, the case was also sub-judice in the Court of Special Judge Anti-corruption, Punjab Lahore.

The Committee kept the **para pending being sub-judice.**

**37. Para No.43 Page 34 of Audit Report for the year 1998-99; Misappropriation of medicines valuing Rs.109,731/- due to non accountal.**

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**13.3.2004** The department explained that out of total medicines valuing Rs.74,169/53, medicines worth Rs.44,166/- had expired while the remaining were used in the Hospital. The then M.S Dr. Khalid Yazdani was proceeded against under E&D Rules and major penalty of revision from BS-19 to BS-18 was imposed on him. The matter about shortage of medicines worth Rs.35,564/79 was probed into by a Committee which held the store keeper Mr. Farooq responsible for the shortage who had replaced the medicines.

Dr. Khalid Yazdani appeared before the Committee and stated that he was not posted at THQ Hospital Nankana at the time of the audit. Actually the storekeeper was responsible. However, the matter of imposition of major penalty on him was now under adjudication in the Supreme Court of Pakistan.

The Committee kept the para pending being sub judice.

**11.11.2004** The Department explained that disciplinary action had been taken against the persons responsible for lapse. However, matter was still pending in the court.

Matter being sub-judice **the para was kept pending.**

**38. Para No.44 Pages 34 & 35 of Audit Report for the year 1998-99; Misappropriation on Account of Electricity Charges Valuing Rs.289,288/-.**

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**11.11.2004** Audit had pointed out that funds were drawn from Government treasury but were not actually paid to WAPDA.

The Department explained that para comprised three advance paras in case of para No.5 total recovery had been effected, however, a case was under investigation in Anti Corruption Establishment. In case of para No.6 electricity bills duly paid had been produced for verification. And in case of para No.7 funds amounting to Rs.209,548/- were available under the relevant head whereas electricity charges were amounting to Rs.432,102/- Therefore, WAPDA authorities were requested to provide bill within the available budget and the bills of subsequent months were available for verification.

The Committee **settled the para to the extent of A.P No.7 while remaining part pertaining to A.P. No.5 & 6 was kept pending for necessary action.**

**39.            Para No.45 Page 35 of Audit Report for the year 1998-99;  
Misappropriation of medicines worth Rs.7,726,823/-.**

**6.7.2004** Audit had pointed out mis-appropriation of medicines by making false entries in the stock register and procurement on bogus indents.

The Department explained that as per an inquiry held into the matters involved in the above para, four officials (two dispensers and two ward bearers) were held responsible for the misappropriation of Rs.7,726,823/- It was further stated that the case had been referred to EDO (R) for recovery as arrears of land revenue. Moreover, the matters were also under trial in the court of law.

The Committee observed that Dispensers and Ward Bearers alone could not embezzle such a huge amount without the connivance of the DDO. The Committee directed the department to order a fresh inquiry to be conducted by a senior Officer to fix responsibility under intimation to PAC.

**Para was kept pending.**

**40.            Para No.46 Pages 35 & 36 of Audit Report for the year 1998-99;  
Misappropriation of Surgical Gauze Worth Rs.600,000/-.**

**10.11.2004** The department explained that an inquiry committee had been constituted to probe into the matter and the report thereon was still awaited.

**The para was kept pending for the finalization of inquiry proceeding.**

**41.            Para No.47 Pages 36 & 37 of Audit Report for the year 1998-99;**

## **Misappropriation of 12,000 meter surgical coarse worth Rs.72,000/-**

**6.7.2004**      Audit had pointed out mis-appropriation of medicines by making false entries in the stock register and procurement on bogus indents.

The Department explained that as per an inquiry held into the matters involved in the above paras, four officials (two dispensers and two ward bearers) were held responsible for the misappropriation of Rs.7,726,823/- It was further stated that the case had been referred to EDO (R) for recovery as arrears of land revenue. Moreover, the matters were also under trial in the court of law.

The Committee observed that Dispensers and Ward Bearers alone could not embezzle such a huge amount without the connivance of the DDO. The Committee directed the department to order a fresh inquiry to be conducted by a senior Officer to fix responsibility under intimation to PAC.

**Para was kept pending.**

**42.              Para No.50 Page 38 of Audit Report for the year 1998-99; Likely misappropriation of store articles & machinery/equipment worth Rs.2,383,701/-.**

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**13.3.2004**      Audit had pointed out that medicines and other durable articles were shown to have been issued to the operation theatre. But neither the stock register of Operation Theater nor the consumption record was produced to audit.

The department explained that the record of operation theatre was taken into possession from the custody of Abdul Majid OTA DHQ Hospital, Gujranwala, in the presence of District Khidmat Committee. He had been terminated from service on 22-5-1998 and three cases had been got registered against him with the Anti Corruption Establishment even before audit observation, which were under trial in the courts.

The Committee kept the para pending being subjudice.

**11.11.2004**    The Department explained that record pertaining to the subject para was lying with the Anti Corruption Establishment and Honourable Judge was not willing to hand over the record for departmental proceedings.

The matter being sub-judice, **the para was kept pending.**

**43. Para No.51 Pages 38 & 39 of Audit Report for the year 1998-99;  
Likely misappropriation of government receipts and non accountal of  
Rs.197,723/-.**

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**13.3.2004** Audit had pointed out that a Patients Welfare Society established by hospital authorities started working on commercial basis and enhanced the rates of different medical tests and instead of depositing its amounts into Government treasury, deposited the same into Society's account which resulted into financial loss to Government.

The department explained that the society was allowed to work vide Government of the Punjab letter dated 29-5-1982 and was charging the prescribed fee for different medical tests from those patients who could afford and not from the poor people. An inquiry was also held and as per its findings the charges realized from patients used to be deposited with the Patients Welfare Society. The Inquiry Committee, however, recommended that to ensure transparency the society should be asked to re-coupe its amount in future and pay to the hospital administration as assistance for the welfare of the patients. The Department further stated that the Society was doing commendable service and no loss was caused to the Government.

The Committee accepted the explanation of the department and **settled the para.**

**44. Para No.53 Page 40 of Audit Report for the year 1998-99;  
Misappropriation due to doubtful expenses of medicines costing  
Rs.1,026,662/-.**

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**13.3.2004** The department explained that all the relevant record was available for verification. Audit stated that the record had been verified.

On the recommendation of audit, **the Committee settled the para.**

**45. Para No.54 Pages 40 & 41 of Audit Report for the year 1998-99;  
Misappropriation due to bogus bills amounting to Rs.844,327/- on account of  
local purchase of medicines.**

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**6.7.2004** The Department explained that as per the findings of an inquiry held into the matter, the purchases were made after fulfilling all the codal formalities. The relevant record was available and no loss was sustained by Government.

On the verification and recommendation of audit, **the Committee settled the para.**

**46. Para No.55 Pages 41 of Audit Report for the year 1998-99; Fictitious purchase out of A.D.P scheme No.3702 & 3703 for Rs.814,000/- for orthopedics.**

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**6.7.2004** Audit had pointed out that Government had sustained loss due to fictitious purchase of stainless steel re-useable instruments which were received and checked but were later on rejected and returned to supplier.

The Department explained that as per the findings of an inquiry held into the matter, the stores purchased were in accordance with the approved specification/work order which were duly entered in the stock register and payment against these items was arranged by the Medical Superintendent. However, the stores were received without containers/cases. The firm concerned arranged the containers/cases on 12-7-1998 which were accepted and entered in the stock register. No irregularity was found in the purchases or stock.

Audit verified the entries of the stock register/relevant record but suggested that the inquiry be got conducted by some other officer.

The Committee accepted the explanation of the department and **settled the para.**

**47. Para No.56 Pages 41 & 42 of Audit Report for the year 1998-99; embezzlement and irregular purchase out of A.D.P scheme No. 3703 valuing Rs.2,655,707/-**

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**6.7.2004** Audit had pointed-out an embezzlement on account of irregular purchases of certain stores. Some stores were neither received nor entered in the stock register whereas others were rejected and returned to the firm.

The Department explained that as per the findings of an inquiry held into the matter, pardah cloth was purchased and duly entered in the stock register. Similarly, the surgical instruments were purchased but were returned to the firm because expenditure of stores was booked into wrong head of account by mistake. The payment drawn against the supply was deposited into Government treasury which stood verified by audit. The Department added that the inquiry report had been accepted by the competent authority/Administrative Secretary.

The Committee accepted the explanation of the department **and para was settled.**

**48. Para No.57 Page 42 of Audit Report for the year 1998-99; Likely pilferage of Government funds valuing Rs.159,979/-.**

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**13.3.2004** Audit had pointed out the purchases made at exorbitant rates by comparing the rate contract and daily purchase during 1998-99 with the rates paid in 1997-98.

The department explained that as per the findings of the Inquiry Committee, the comparison made between the local purchase for one hospital and the bulk purchase made by MSD for the whole of Punjab was not justified as the rates offered by the contractors were relevant to the quantity being purchased. The quantity for one hospital was much less as compared with MSD, hence both rates were not comparable. Moreover, contract was approved by the Committee after open tender.

The Committee conditionally settled the para subject to verification of the relevant record by audit.

**10.11.2004** The Department explained that day to day medicines were purchased from local purchase budget after observing all the codal formalities at economical price with a discount of 9% as compared that of 5% and 8% in respect of Multinational and National Companies. As such no irregularity had been committed according to the local purchase rules.

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

**49.            Para No.58 Page 43 of Audit Report for the year 1998-99; Doubtful consumption of medical gases valuing Rs.390,889/-.**

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**13.3.2004** Audit had pointed out non maintenance of account of consumption of medical gases.

The department explained that as per inquiry report, the accounting/detection of medical gases consumed on each patient was technically not possible because the patient of same disease/operation may require different amount of medical gases at different pressures. As a matter of fact the gauging/ measurement of gases consumed was not possible. However, the receipt and issue record was available for verification.

The Committee accepted the explanation of department and **settled the para.**

**50.            Para No.59 Pages 43 & 44 of Audit Report for the year 1998-99; Likely misappropriation of gas cylinders valuing Rs.178,600/-.**

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**13.3.2004** The department explained that as per inquiry report, there was no doubtful consumption of gas cylinders. All codal formalities were observed by DDO while issuing them. In case of serious patients, the requisition of cylinders was made by nursing staff. Consumption



of gas cylinders was made as per procedure prevailing in all the hospitals. Moreover, there was no tool available to monitor the utilization of medical gases.

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

**51. Para No.60 Page 44 of Audit Report for the year 1998-99; Likely Misappropriation Of Rs.945,333/- On Account of Supply Of diet To the Patients in Excess of Prescribed Scale.**

**13.11.2004** The Departmental contention respecting the para had been accepted and verified by Audit and was recommended for settlement.

The said **para was accordingly settled.**

**52. Para No.62 Page 45 of Audit Report for the year 1998-99; Likely embezzlement of Rs.363,645/- due to non-deposit of amounts recovered on account of electricity charges.**

**13.3.2004** The department explaining the position inter alia stated that the total amount on account of collection of electricity charges from the residents of Nishtar Estate had been embezzled by Mr. Shaukat Ali, Junior Accountant, NMC Multan who had been dismissed from service and a case had also been got registered against him with Anti Corruption Establishment. The Committee was informed that he was also involved in other cases of embezzlement as pointed out in the PAC meeting while discussing audit report for the year 1999-2000.

The Committee kept the para pending being sub judice.

**10.11.2004** The Department explained that the matter was under investigation of Anti Corruption Establishment and the matter was being pursued vigorously.

The **para was kept pending being sub-judice.**

**53. Para No.63 Page 46 of Audit Report for the year 1998-99; Likely embezzlement due to pilferage of injection "SOLO CARTIF" worth Rs.659,175/-.**

**13.3.2004** The department explained that the matter was inquired into by a Committee which concluded that M. Siddique Dispenser was responsible for the pilferage of 185 vials of Inj. Solocartif and recommended recovery of Rs.16,049/- and stoppage of annual increments for two years. The Department further contended that the said amount had been recovered and credited into Government accounts.



The Committee conditionally settled the para subject to verification of relevant record as well as inquiry report by audit. The Committee directed that officials with integrity be posted in stores.

**10.11.2004** The Department explained that in compliance with PAC directions treasury challans amounting to Rs.16,049/- had been produced to Audit for verification and action had been taken against the defaulters. Moreover, necessary instructions had been issued to the lower formations.

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

**54. Para No.64 Pages 46 & 47 of Audit Report for the year 1998-99; Likely misappropriation due to non-availability of stock entries & actual payee receipts involving Rs.411,276/-.**

**13.3.2004** The department explained that actual payee receipts valuing Rs.3,8517/- and store entries of purchases worth Rs.26105/- were available for verification.

On the recommendation of audit, **the Committee settled the para.**

**55. Para No.65 Page 47 of Audit Report for the year 1998-99; Recovery of Rs.1,270,511/- Due to Misappropriation of Store Articles Valuing Rs.1,270,511/-.**

**11.11.2004** The Department explained that as per findings of inquiry conducted into the matter the store articles worth Rs.1,270,511/- were purchased and entered in the stock register and were utilized at various functional units of Hospital. As such no shortage of store articles was found. The Administrative Secretary had approved the recommendations of inquiry report.

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

**56. Para No.67 Page 48 of Audit Report for the year 1998-99; Misappropriation due to non-accountal of stores worth Rs.251,225/-.**

**12.3.2004** The department explained that relevant record regarding accountal of stores was available for verification.

On the recommendation of audit, **the Committee settled the para.**

**57. Para No.68.1 Pages 9, 48 & 49 of Audit Report for the year 1998-99;  
Doubtful Expense of Medicines to the Tune of Rs.293,811/-.**

R.H.C, Roda, Khushab -Rs.127,024/-.

**11.11.2004** Audit had pointed out that the Department purchased medicines but those were not entered in the stock register.

The Department explained that para was discussed in the SDAC meeting held on 13.12.1999 and consumption of medicines was verified in it.

Audit stated that departmental contention had been verified.

The para was accordingly settled.

**58. Para No.68.2 Pages 9, 48 & 49 of Audit Report for the year 1998-99;  
Doubtful Expense of Medicines to the Tune of Rs.293,811/-.**

R.H.C, Padhrar, Khushab-Rs.166,787/-.

**11.11.2004** The Department explained that according to the procedure all medicines received in the store were entered in relevant record and issued to the patient on prescriptions receipt written by the Medical Officer and all the record was available for verification.

However, Audit stated that record was not produced for verification.

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

**59. Para No.69.2 Pages 9 & 49 of Audit Report for the year 1998-99;  
Loss of Rs.4,148,610/- Due to Shortage of Store Articles.**

Jinnah Hospital, Lahore-Rs.85,588/-.

**11.11.2004** The Department explained that the shortage of store items actually came to Rs.85,588/- and gave detailed explanation in case of each item. However, keeping in view the depreciation cost, recovery of Rs.23,214/- had been effected which was justified.

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

**60. Para No.69.3 Pages 9 & 49 of Audit Report for the year 1998-99;  
Loss of Rs.4,148,610/- due to shortage of store articles.**

D. H. Q, Hospital Sahiwal-Rs.667,860/-.

**13.3.2004** The department explained that bed sheets, draw sheets and medicines found short by audit were actually issued to various wards/departments of the hospital. The record pertaining to store and receipt and consumption of articles at various wards was available for verification.

On the recommendations of audit, the **Committee settled the para.**

**61. Para No.69.4 Pages 9 & 49 of Audit Report for the year 1998-99;  
Loss of Rs.4,148,610/- Due to Shortage of Store Articles.**

B.V, Hospital, Bahawalpur-Rs.509,639/-.

**11.11.2004** The Department explained that an inquiry was conducted into the matter and item-wise position of the case was as under:-

- i) In case of family ward recovery from Head Nurse, Charge Nurse and Class-IV employees was recommended which was not yet accepted by the competent authority.
- ii) In case of Neurosurgery Ward, the accused Charge Nurse had expired and a case for write off had been submitted to the competent authority.
- iii) In case of Medical Ward-II certain items were available in the stock and the actual cost of missing articles had been recovered.
- iv) The ECG adopter was entered in the breakage book and was available in the ward. As such no shortage was there.
- v) In case of X-ray Department, the consumption of films was available in the record and no shortage was noticed.
- vi) The physical verification revealed that all the medicines were properly entered and available in stock.

The **Committee settled part iii, iv, v & vi of the para while the part i was kept pending for necessary action and part ii was conditionally settled subject to write off sanction by the competent authority.**

**62. Para No.69.5 Pages 9 & 49 of Audit Report for the year 1998-99;  
Loss of Rs.4,148,610/- due to shortage of store articles.**

Rawalpindi Medical College, Rawalpindi-Rs.62,735/-.

**13.3.2004** The department explained that some articles were consumed and some articles

were damaged and declared as condemned by the management board. The recovery of balance amount on account of shortage of articles had been effected from the accused.

Finance Department observed that articles were not timely declared as condemned.

The Committee conditionally settled the para subject to regularization of late condemnation by the competent authority.

**10.11.2004** The Department explained that in compliance with PAC directions write off sanction of Rs.21,969/- had been accorded by the Board of Management vide letter dated 24.3.2004 which had also been verified by Audit.

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

**63. Para No.69.7 Pages 9 & 49 of Audit Report for the year 1998-99;  
Loss of Rs.4,148,610/- Due to Shortage of Store Articles.**

D.H.O, Khanewal-Rs.43,353/-.

**11.11.2004** The Department explained that and inquiry was conducted into the matter and DHS Multan had been requested to take necessary action against officials responsible for the loss and partial recovery had been effected from the concerned officials.

The **para was conditionally settled subject to balance recovery and its verification by Audit.**

**64. Para No.69.9 Pages 10 & 49 of Audit Report for the year 1998-99;  
Loss of Rs.4,148,610/- due to shortage of store articles.**

THQ Hospital, Ahmadpur, Bhawalpur – Rs.25,250/-

**6.7.2004** The Department explained that as per the findings of an inquiry held into the matter, the recoverable amount was Rs.2,300/- which had been realized from the defaulter and deposited in the government treasury. The remaining articles amounting to Rs. 22,950/- were collected and handed over to the Store Keeper.

The Committee accepted the reply of the Department and **settled the para.**

**65. Para No.69.10 Pages 10 & 49 of Audit Report for the year 1998-99;**

**Loss of Rs.4,148,610/- due to shortage of store articles.**

RHC Kherpur Tamawali, Bahawalpur – Rs.97,152/-

**6.7.2004** The Department stated that as per the findings of an inquiry held into the matter, the actual amount of recovery came to Rs. 75,433/-. The Department further stated a sum of Rs. 19,976/- was recovered and deposited into government treasury. Moreover, the lenin store was condemned and destroyed but the Write Off Committee had not deleted it from the stock register.

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

**66. Para No.69.11 Pages 10 & 49 of Audit Report for the year 1998-99;  
Loss of Rs.4,148,610/- due to shortage of store articles.**

Mayo Hospital, Lahore-Rs.1,587,302/-.

**12.3.2004** The department explained that recovery against 2 departments was outstanding which had not been effected. A fact finding inquiry was also held, according to which no one was found responsible.

The Committee conditionally settled the para subject to verification of inquiry report/relevant record by audit.

**10.11.2004** The Department explained that an inquiry was held into the matter which revealed that there was no misappropriation and no articles were misappropriated. The inquiry report had been accepted by the competent authority and relevant record in support of departmental contention was available for verification.

The Committee accepted the departmental reply and the **para was conditionally settled subject to verification of relevant record by Audit.**

**67. Para No.69.12 Pages 10 & 49 of Audit Report for the year 1998-99;  
Loss of Rs.4,148,610/- due to shortage of store articles.**

Lady Willington Hospital, Lahore-Rs.171,040/-.

**12.3.2004** The department explained that an inquiry into this matter was conducted twice. As per inquiry report Mr. Afzal (Ex-Store Keeper) was responsible for the shortage of both stores (Chemical and Equipment). At the time of his transfer i.e. handing/taking over charge, shortage was found. The salary of the official had been withheld for the recovery purpose.

The Committee kept the para pending and directed the department to realize recovery within 90 days.

**10.11.2004** The Department explained that inquiries were being held into the matter pertaining to subject paras which were still under process.

The Committee directed the Department to finalize the inquiry proceedings within 30 days under intimation to the PAC.

**The para was kept pending.**

**68. Para No.70.2 Pages 10 & 50 of Audit Report for the year 1998-99;  
Loss of Rs.3,491,373/- due to theft/shortage of equipments.**

B.V. Hospital, Bahawalpur – Rs.543,173/-

**6.7.2004** The Department stated that the draft para was based on two advance paras. As per the findings of an inquiry held into the matter, the recovery for shortage of equipment had been imposed upon the officials concerned. As for the theft of equipment, a criminal case was got registered against the defaulter on 10.11.1992.

The Committee was not satisfied with the explanation of the Department and directed it to hold a fresh inquiry into this case and fix responsibility within 30 days under intimation to PAC; take action as per law/rules for effecting recovery and also pursue the criminal case.

**The para was kept pending.**

**69. Para No.70.3 Pages 10 & 50 of Audit Report for the year 1998-99;  
Loss of Rs.3,491,373/- due to theft/shortage of equipments.**

Allied Hospital, Faisalabad – Rs.600,000/-

**6.7.2004** The Department explained that an ambulance allowed to go to a village in Tehsil Gojra to fetch a patient, was snatched en route by the persons boarding the ambulance. A departmental inquiry was conducted and an FIR was also lodged with the police. The driver was arrested who having been declared innocent was released.

The Committee was not satisfied with the explanation of the department and directed that a fresh inquiry by a Senior Officer be conducted into the matters involved in this para under intimation to PAC.



The para was kept pending.

**70. Para No.70.5 Pages 10 & 50 of Audit Report for the year 1998-99; Loss of Rs.3,491,373/-due to theft/shortage of equipments.**

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Nishtar Hospital, Multan – Rs.296,400/-

**13.3.2004** The department explained that FF 574 instruments misplaced from Neuro Surgery Theatre had been replaced by the supplier free of cost as a good will gesture. The Cardiac Defibrillator purchased from MSD during 1977 remained in use till November, 1992, when it was recommended unserviceable, however, its whereabouts were not known since 7.11.1992. With continuous efforts, about 50% of the actual cost had been recovered. Keeping in view the depreciation factor, the recovery of 50% of the cost be accepted. The department further stated that a sum of Rs.49650/- had been recovered as price of blood pressure monitor.

The Committee observed that in the misplacement/disappearance of instruments, element of theft could not be ruled out. It, therefore, directed that the Department should hold an inquiry into the matter and fix responsibility under intimation to PAC. The Committee, however, conditionally settled the item relating to recovery effected in respect of blood pressure monitor subject to verification. by audit.

The para was kept pending.

**10.11.2004** The Department explained that in compliance with PAC directions a fact finding inquiry had been ordered into the matter which was under process and the DDO had been ordered to produce DC/CV of the deposited amount for verification by Audit.

The para was kept pending for balance recovery and verification of relevant record by Audit.

**71. Para No.72 Page 54 of Audit Report for the year 1998-99; Recovery of Rs.1,804,910/- Due to Purchase of Miscellaneous Articles on Higher Rates.**

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**11.11.2004** The para was discussed in the PAC on 11-13 March 2004 and kept pending for consideration of Sub-Committee-VI of PAC-I.

The Department explained that the para had been referred to Sub-Committee-VI of PAC-I in its meeting held on 13.3.2004 but the Sub-Committee could not hold its meeting due to sickness of Mr. Ata Muhammad Khan Manika, MPA (PP-227).



The Committee after due consideration of the matter re-appointed the Sub-Committee-VI comprising the following:-

- i) Mr. Ali Hassan Raza Qazi, MPA (PP-73) Convener
- ii) Pir Kashif Ali Chshti, MPA (PP-231) Member

The Sub-Committee would probe into the matter pertaining to the para and submit its report to PAC-I within 30 days.

**The para was kept pending.**

**72. Para No.73 Pages 54 & 55 of Audit Report for the year 1998-99; Recovery of Rs.132,180/- Due to Purchase of Medicines on Higher Rates.**

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**13.11.2004** The Department explained that the matter was under investigation with National Accountability Bureau, however, record have been received back from NAB which could be verified.

**The para was kept pending with the direction that necessary probe be made in the department.**

**73. Para No.75 Page 56 of Audit Report for the year 1998-99; Overpayment of Rs.204,677/- in repair of machinery and equipment due to award of contract at exorbitant rates.**

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**12.3.2004** The Department explained that as per the findings of the Inquiry Committee, no irregularity was committed in the repair of the machine. The official concerned also appeared before the Committee and explained that the rates of M/S Saeed Brothers for repair of X-ray machine being the lowest were approved. After the expiry of 4 month's period valid for rates, the firm showed its inability to repair the machine. The machine was, therefore, got repaired from M/ S Medequips, the second lowest bidder which originally quoted Rs.1,314,000/- but after negotiations reduced its rates to Rs.1,274,677/- and that no loss had occurred to the Government.

The Committee accepted the explanation of the department and **settled the para.**

**74. Para No.76 Pages 56 & 57 of Audit Report for the year 1998-99; Overpayment of Rs.120,819/- Due to Purchase of Laboratory Kits at Higher Rates.**

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**11.11.2004** The Department explained that Audit observation was not justified as the variation in rates of laboratory kits was due to fluctuation of foreign exchange which varies from time to time and there was no Government regularity authority for fixation of chemical rates. Therefore, variation in some items was due to market forces, difference in specification and strength of the product. As such no irregularity had been committed.

The Administrative Secretary assured that no overpayment was involved in the matter.

The Committee accepted the departmental reply and **the para was settled.**

**75.            Para No.77 Page 57 of Audit Report for the year 1998-99; Over-drawal of conveyance allowance amounting to Rs.339,984/-**

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**13.3.2004**        Audit had pointed out that staff of the college was residing within the premises of the college and also drawing conveyance allowance.

The department explained that as per the findings of the Inquiry Committee, the audit observation was not correct because there was clear demarcation between the residential colony and the college campus, as road fell between the college premises and residences. Thus recovery was not due. The department further stated that there was shortage of doctors in remote areas and such fringe benefits encouraged them to perform their duties. Incentives should be given to the doctors so that they did not feel hesitant while going to hospitals located in remote areas.

The **Committee settled the para and directed that it should not be quoted as precedent.** The Committee also observed that special attention should be paid to far flung areas particularly the under developed areas by providing extra opportunities and facilities with a view to attracting doctors to such areas.

**76.            Para No.79.1 Pages 51 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- Due to Irregular Award of BPS-2 to Ward Servants.**

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R.H.C, Mianwali Qureshian (R.Y.Khan)-Rs.25,244/-.

**11.11.2004** The Department explained that delay occurred due to the fact that some officials had filed case in High Court and recovery amounting to Rs.22,018/- had been effected.

The **para was conditionally settled subject to balance recovery and its verification by Audit.**

**77. Para No.79.2 Pages 51 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- Due to Irregular Award of BPS-2 to Ward Servants.**

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D.H.Q, Hospital, Khanewal-Rs.1,202,952/-.

**11.11.2004** The Department explained that Audit had wrongly calculated the difference paid to the Ward Servants and also explained factual position in case of each employee denoting the latest position of recovery.

Audit stated that departmental contention was justified in the light of PST decision dated 28.8.2000 and recommended the para for settlement.

The para was accordingly settled.

**78. Para No.79.3 Pages 51 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- Due to Irregular Award of BPS-2 to Ward Servants.**

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Eye Hospital, Khanpur, R.Y. Khan-Rs.32,318/-.

**11.11.2004** The Department explained that an amount of Rs.25,925/- had been recovered and for balance amount the concerned officials had filed a petition in High Court and the court had decided that no recovery was due from them.

Audit stated that facts had been verified.

The para was accordingly settled.

**79. Para No.79.4 Pages 51 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- Due to Irregular Award of BPS-2 to Ward Servants.**

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T.B. Clinic Khanpur, R.Y. Khan-Rs.16,753/-.

**11.11.2004** The Department explained that pay of ward servants had been re-fixed w.e.f. 1-7-2002 and as per decision of Lahore High Court, Lahore, no recovery was due from the officials.

On recommendations of the Audit, the para was settled.

**80. Para No.79.5 Pages 51 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- due to irregular award of BPS-2 to ward servants.**

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D. H. Q, Hospital Sahiwal-Rs.219,996/-.

**13.3.2004** The department explained that the affected employees had got stay order from the Lahore High Court Multan Bench which had directed that the petitioners would not be compelled to return the benefit already availed by them.

The Committee settled the para subject to production of High Court's order to the audit.

**11.11.2004** Para was discussed in the PAC on 11-13 March 2004 and settled subject to production of court order.

The Department explained that decision of the Court had been produced to the Audit for verification.

Audit stated that facts had been verified.

The **para was accordingly settled.**

**81. Para No.79.7 Pages 51 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- due to irregular award of BPS-2 to ward servants.**

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T. H. Q, Hospital Khanpur Rahim Yar Khan-Rs.143,579/-.

**13.3.2004** The department explained that the concerned ward servants were directed to deposit recovery amount in installments @ Rs.500/- pm. But they filed writ petition in Lahore High Court, Bahawalpur Bench which directed that no recovery be effected from the salary of the petitioners.

The audit vide its comments stated that departmental contention was tenable in view of decision of PST dated 28.8.2002 and Lahore High Court, Multan Bench decision dated 19.5.2003.

On the recommendation of audit, **the Committee settled the para.**

**82. Para No.79.8 Pages 51 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- due to irregular award of BPS-2 to ward servants.**

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Sheikh Zayed Hospital, R.Y.Khan – Rs.507,054/-

**13.3.2004** The department explained that the posts of ward servants were sanctioned by Finance Department in BS-2. After audit observation recovery was started from them. The affected employees filed a case in Bahawalpur High Court which issued stay order. Later the matter went to the Supreme Court, where decision of the High Court was upheld and realization of recovery was stopped.

The Committee conditionally settled the para subject to verification of copy of orders passed by the apex court.

**10.11.2004** The Department explained that in compliance with PAC directions a copy of orders of the Supreme Court had been produced to Audit for verification.

Audit also verified the departmental contention.

The para was accordingly settled.

**83. Para No.79.9 Pages 51 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- due to irregular award of BPS-2 to ward servants.**

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THQ Hospital, Chichawatni, Sahiwal – Rs.796,467/-

**6.7.2004** The Department explained that the ward servants of various districts had filed appeals in different benches of the Lahore High Court which had decided the case in their favour. Therefore, it was not possible to effect recovery.

On the verification and recommendation of audit, the para was settled.

**84. Para No.79.10 Pages 51 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- Due to Irregular Award of BPS-2 to Ward Servants.**

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T.H.Q, Hospital, Liaquatpur, R.Y. Khan-Rs.40,766/-.

**11.11.2004** The Department explained that total recovery of Rs.40,766/- had been effected and deposited into Government Treasury which had been verified by Audit.

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

**85. Para No.79.11 Pages 51 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- due to irregular award of BPS-2 to ward servants.**

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T. H. Q, Hospital, Kabir Wala, Khanewal-Rs.20,129/-.

**13.3.2004** The department explained that the affected employees had filed appeals in different benches of the Lahore High Court which had decided the case in their favour. However, for future the pay had been re-fixed.

On the recommendation of audit, **the Committee settled the para.**

**86. Para No.79.12 Pages 52 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- due to irregular award of BPS-2 to ward servants.**

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T. H. Q, Hospital Mian Chanun, Khanewal-Rs.897,427/-.

**13.3.2004** The department explained that the affected employees had filed appeals in different benches of the Lahore High Court which had decided the case in their favour. Therefore, the recovery could not be effected from back dates. However, for future the pay of ward servants had been re-fixed.

On the recommendation of audit, **the Committee settled the para.**

**87. Para No.79.13 Pages 52 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- due to irregular award of BPS-2 to ward servants.**

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T. H. Q, Hospital, Isa Khel District Mianwali-Rs.25,475/-.

**13.3.2004** The department explained that SDAC in its meeting held on 13-12-1999 had reduced the para to Rs.10560/- which had also been recovered and verified by audit.

On the recommendation of audit **the Committee settled the para.**

**88. Para No.79.14 Pages 52 & 58 of Audit Report for the year 1998-99; Overpayment of Rs.4,266,237/- due to irregular award of BPS-2 to ward**

**servants.**

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T. H. Q, Hospital Sadiqabad, Rahim Yar Khan-Rs.38,639/-.

**13.3.2004** The department explained that recovery of entire amount of Rs.38,639/- had been realized.

On the recommendation of audit, **the Committee settled the para.**  
**89. Para No.80.1 Pages 52, 58 & 59 of Audit Report for the year 1998-99; Over Payment of Rs.1,708,030/- Due to Irregular Grant of Advance Increments.**

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D.H.O. Kasur Rs.112,471/-

**13.11.2004** The Department explained that as per decision of Lahore High Court, Lahore recovery was not due from the officials on account of advance increments which could be verified by Audit.

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

**90. Para No.80.3 Pages 52, 58 & 59 of Audit Report for the year 1998-99; Overpayment of Rs.1,708,030/- Due to Irregular Grant of Advance Increments.**

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D.H.O Gujrat/M.B Din -Rs.774,993/-.

**11.11.2004** The Department explained that in the light of decision of High Court recovery was not due from the officials on account of advance increments.

The Committee accepted the departmental reply and **settled the para.**

**91. Para No.80.4 Pages 52, 58 & 59 of Audit Report for the year 1998-99; Overpayment of Rs.1,708,030/- Due to Irregular Grant of Advance Increments.**

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D.H.S, Sargodha-Rs.44,540/-.

**11.11.2004** The Department explained that in view of the decision of Supreme Court no recovery on account of advance increments was due from the concerned officials.



**The para was conditionally settled with the direction that department should produce a copy of the judgment of Supreme Court to Audit.**

**92. Para No.80.5 Pages 52, 58 & 59 of Audit Report for the year 1998-99; Overpayment of Rs.1,708,030/- Due to Irregular Grant of Advance Increments.**

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D.H.O, Khushab-Rs.191,206/-.

**11.11.2004** The Department explained that as per decision of the High Court, amount of advance increments could not be recovered from the concerned officials.

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

**93. Para No.80.7 Pages 52, 58 & 59 of Audit Report for the year 1998-99; Overpayment of Rs.1,708,030/- due to irregular grant of advance increments.**

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T. H. Q, Hospital, Jaranwala Faisalabad-Rs.62,013/-.

**13.3.2004** Audit had pointed out irregular payment of advance increments to the technical and semi technical employees.

The department explained that it had been decided by the Lahore High Court not to recover the amount of advance increments drawn by the petitioners.

The Committee settled the para subject to showing decision of the High Court and verification of relevant record/service books by audit.

**11.11.2004** The Department explained that the service books of employees along with decision of the High Court had been produced to Audit for verification.

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

**94. Para No.80.8 Pages 52 & 58 of Audit Report for the year 1998-99;**

**Overpayment of Rs.1,708,030/- due to irregular grant of advance increments.**

Eye-Cum-Genl. Hospital, Gojra T. T. Singh-Rs.106,432/-.

**13.3.2004** Audit had pointed out that in violation of Finance Department's letter dated 22-1-1998, advance increments were allowed to the officials on account of higher qualification not relevant to their field.

The department explained that the matter was finally adjudicated upon by the Supreme Court of Pakistan which passed order in favour of the affected officials directing that the amounts of advance increments already drawn by the petitioners would not be recovered.

On the recommendations of audit, **the Committee settled the para.**

**95. Para No.80.9 Pages 52, 58 & 59 of Audit Report for the year 1998-99; Overpayment of Rs.1,708,030/- due to irregular grant of advance increments.**

B.V. Hospital, Bahawalpur – Rs.294,232/-

**13.3.2004** The department explained that as per the findings of the Inquiry Committee report, the Lahore High Court in a number of cases had decided that advance increments already drawn by the petitioners would not be recovered. Finance Department vide its letter dated 31-1-2000, had also waived off the recovery of over payment in such cases.

The Committee conditionally settled the para subject to verification of the relevant record by audit.

**10.11.2004** The Department explained that in compliance with PAC directions service books had been produced to Audit for verification which revealed that pay of staff in question had been refixed by DAO Bahawalpur and the relevant record had been verified by Audit.

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

**96. Para No.80.10 Pages 52, 58 & 59 of Audit Report for the year 1998-99; Overpayment of Rs.1,708,030/- Due to Irregular Grant of Advance Increments.**

D.H.Q, Hospital, D. G. Khan-Rs.26,529/-.

**11.11.2004** The Department explained that in view of Audit observations entries had been made in Service Books of the concerned officials and their pay had also been re-fixed by District Accounts Office.

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

**97. Para No.81.1 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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Mayo Hospital, Lahore-Rs.3,592,350/-.

**12.3.2004** Audit had pointed out that officers/officials of various formations were residing in Government accommodation but 5% of basic pay as house rent was not being deducted.

The department explained that in pursuance of Finance Department's notification dated 1-7-1988, deduction of 5% house rent as pointed out by audit was not justified because occupants of class 1 to 3 were residing in one room residential quarter and they were exempted from such deduction. Moreover, the building in which they were residing had been declared dangerous by the Buildings department. However, other deductions such as House allowance and conveyance allowance were being made from the salaries of authorized occupants.

The Committee conditionally settled the para subject to verification of the relevant record in the light of Department's contention.

**10.11.2004** The Department explained that according to Finance Department's instructions all authorized allottees occupying one room residence were exempted from 5% deduction of house rent and the quarters involved in audit observation had been declared dangerous in 1974. As such no recovery was due.

The Committee accepted the departmental reply and **the para was settled.**

**98. Para No.81.3 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery Of Rs.7,502,379/- On Account of Non-deduction of 5% of Pay As House Rent**

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R.H.C Lessar Kalan – Rs.31,078/-

**13.11.2004** The Departmental contention respecting the para had been accepted and verified by Audit and was recommended for settlement.

The said **para** was accordingly settled.

**99. Para No.81.4 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on Account of Non-Deduction of 5% of Pay As House Rent.**

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T.H.Q, Hospital Kharian, Gujrat -Rs.21,375/-.

**11.11.2004** The Department explained that actual recoverable amount of Rs.13,107/- had been recovered whereas a sum of Rs.4,051/- was not recoverable from the employees of BS-1 to 3.

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

**100. Para No.81.5 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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T. H. Q, Hospital, Nankana, Sheikhpura-Rs.47,284/-.

**13.3.2004** The department explained that a sum of Rs.28,043/- had been recovered out of Rs.47,284/-. The department further contended that the four officials involved in the para were entitled to rent free accommodation, whereas Mr. Javed Iqbal (MS) Dr. Najma (Causality WMO) and Dr. Khalid Mahmood (CMO) were also entitled to rent free accommodation and 5% deduction was not due from them. The Administrative Secretary informed the Committee that these officers/officials posted at THQ Hospital were entitled to rent free accommodation.

The Committee accepted the explanation of the department and **settled the para**.

**101. Para No.81.6 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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Allama Iqbal Medical College, Lahore – Rs.15.045/-

**6.7.2004** The Department explained that in SDAC meeting dated 11-10-1999, the recoverable amount was worked out to be Rs.3,759/70 instead of Rs.15,045/- which had been recovered and deposited into government treasury.

On the recommendation of audit, the **Committee settled the para.**

**102. Para No.81.7 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on Account of Non-Deduction of 5% of Pay As House Rent.**

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T.H.Q, Hospital, Wazirabad District Gujranwala-Rs.79,027/-.

**11.11.2004** The Department explained that officials of BS-1 to 3 were entitled for rent free accommodation and no amount was recoverable from them and recovery of Rs.6,634/- had been effected whereas recovery from some officials was pending due to their transfer and concerned authorities had been requested for recovery of outstanding dues.

The **para was kept pending for balance recovery.**

**103. Para No.81.8 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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THQ Hospital, Hasilpur district Bahawalpur – Rs.27,900/-

**6.7.2004** The Department explained that in compliance with the directions of SDAC meeting dated 15.12.1999, an inquiry was held into the matter and as per findings thereof, out of total amount of Rs.27,900/- as pointed out by audit, the recovery of Rs. 25,260/- had been effected and the balance amount was not recoverable as the two rooms mentioned in the para were being used as a store.

The Committee accepted the explanation of the department and **settled the para.**

**104. Para No.81.10 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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D. H. O, Faisalabad-Rs.1,150,642/-.

**12.3.2004** The department explained that as per direction of SDAC meeting dated 14-12-1998 a fact finding inquiry was held. According to inquiry report, recoverable amount was Rs.360,675/- instead of Rs.1,150,642/- Medical Officers being DDO,s were held responsible for over payment. DHS Faisalabad was directed to initiate disciplinary proceedings against the accused. It was stated that some recovery had been effected.

The Committee kept the para pending with the direction that the Department should effect balance recovery within 90 days and that inquiry report be also produced to the audit.

**6.7.2004** The Department explained that the para was discussed in PAC meeting held on 13-3-2004 which directed that the DDO concerned should realize the recovery due. The department further stated that out of total recovery of Rs.360,764/- as worked out by the fact finding Inquiry Committee, an amount of Rs.242,203/- had since been recovered whereas recovery of Rs.12,439/- from non-gazetted staff was found unjustified because the quarters were incomplete and were not worth living whereas Mst. Sughra Bibi, Nurse, had been expelled and recovery could not be effected from her. The balance amount of Rs. 1,18,471/- was recoverable from Gazetted Officers who being DDOs themselves were responsible for the deduction which was being made from their salaries through computerized pay bills.

The Committee accepted the explanation of the department and **settled the para.**

**105. Para No.81.11 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on Account of Non-Deduction of 5% of Pay As House Rent.**

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D.H.Q, Hospital, Toba Tek Singh-Rs.80,451/-.

**11.11.2004** The Department explained that total recovery on account of House Rent had been effected and verified by Audit.

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

**106. Para No.81.12 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on Account of Non-Deduction of 5% of Pay As House Rent.**

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D.H.Q, Lodhran-Rs.80,833/-.

**11.11.2004** The Department explained that presence of officials of the Department was essential at any time due to exigency of medical services and deduction of 5% house rent was not applicable for them. However, departmental proceedings against the defaulters were initiated and recovery of Rs.57,876/- had been affected from pay of the officials. For balance recovery EDO (H) Lodhran had been requested for recovery.

The Committee directed the Department to effect recovery of balance amount or get it write off by the competent authority.

The para was kept pending.

**107. Para No.81.13 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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DHQ Bahawalpur – Rs.105,530/-

**6.7.2004** The Department explained that total amount had been recovered and deposited into government treasury.

On the verification and recommendation of audit, **the Committee settled the para.**

**108. Para No.81.14 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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D. H. Q, Hospital Gujranwala-Rs.77,365/-.

**13.3.2004** The department explained that out of total recoverable amount, Rs.23,510/- had been recovered and efforts were being made for balance recovery.

The Committee conditionally settled the para subject to balance recovery and verification of recovery already effected by audit.

**11.11.2004** The Department explained that partial recovery had been effected whereas in case of Dr. Akram Rana and Mrs. Rasheeda Ayub, recovery of Rs.4,776/- and Rs.13,633/- respectively was not justified as they were allotted no residence and efforts were being made for recovery of balance amount from the concerned persons.



The para was kept pending for recovery of outstanding dues.

**109. Para No.81.15 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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T. H. Q, Hospital, Kamalia - Rs.60,451/-.

**13.3.2004** The department explained that recoverable amount was Rs.53,899/- instead of Rs.60,451/- out of which Rs.22,455/- had been recovered leaving a balance of Rs.31,444/-. Efforts were being made for its realization.

The Committee conditionally settled the para subject to balance recovery as well as verification of recovery already effected by audit.

**6.7.2004** The Department stated that the actual amount of para was Rs. 53,893/- instead of Rs. 60,451/- against which a recovery of Rs. 47,400/- had been made and deposited into the treasury.

The Committee settled the para subject to recovery of balance amount and verification of record by Audit.

**110. Para No.81.16 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery Of Rs.7,502,379/- On Account Of Non-Deduction Of 5% Of Pay As House Rent.**

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T.H.Q Hospital Noshara District Khushab-Rs.127,738/-.

**11.11.2004** The Department explained that residence allotted to Medical Officers had been declared rent free by the Government and Charge Nurses, Dispensers and employees holding post in BPS.1-3 were also entitled for rent free accommodation and actual amount of Rs.19,956/- had been recovered.

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

**111. Para No.81.17 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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T. H. Q, Hospital, Jaranwala District Faisalabad-Rs.19,558/-.

**13.3.2004** The department explained that the recoverable amount came to Rs.17,110/- instead of RS.19,558/- out of which a sum of Rs.11,864/- had been recovered and got verified by audit. The balance amount of Rs.5,246/- was being recovered.

The Committee conditionally settled the para subject to balance recovery and its verification by Audit.

**11.11.2004** The Department explained that Dr. Muhammad Akram, Medical Officer was residing in a residence below his entitlement and the actual outstanding amount was Rs.4,416/- instead of 5,247/- which had been recovered and deposited into Government Treasury and the facts had been verified by Audit.

The para was accordingly settled.

**112. Para No.81.19 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery Of Rs.7,502,379/- On Account Of Non-Deduction Of 5% Of Pay As House Rent.**

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T.H.Q Hospital, M.B. Din -Rs.64,466/-.

**11.11.2004** The Department explained that a sum of Rs.33,803/- had been recovered from Charge Nurses and recovery of Rs.23,706/- had been effected from the doctors which had been verified by Audit whereas recovery of Rs.8,057/- was not justified.

Audit stated that facts had been verified.

The para was accordingly settled.

**113. Para No.81.20 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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T. H. Q, Hospital Kamoke District Gujranwala-Rs.152,425/-.

**13.3.2004** The department explained that the para had been reduced to Rs.14535/- from Rs.152425/- by SDAC in its meeting held on 9-10/5-2003 with direction to recover the amount from Mr. Altaf Hussain, dispenser.

Audit did not accept the contention of the department and observed that para was discussed in SDAC, after it had been converted into draft para and SDAC was not competent to settle a printed draft para.

The Committee kept the para pending and directed the department to show the

relevant record to the audit and effect balance recovery in 6 months.

**6.7.2004** The Department explained that the para was discussed in SDAC meeting held on 9 & 10-5-2003 which after verification of record reduced the para to Rs. 14,535/-. The requisite recovery had been made good from the concerned dispenser.

The Committee **settled the para subject to verification of record by the Audit.**

**114. Para No.81.21 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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Services Hospital Lahore-Rs.340,187/-.

**12.3.2004** The department explained that amount was due against 3 employees. Entire amount of Rs.10,551/- outstanding against Dr. Aftab Ahmad, Senior Registrar had been recovered and verified by audit. The amount of Rs.214,502/- against Dr. Javed iqbal was calculated from 16-11-1986, which was not correct as the residence to him was allotted vide office order dated 6-8-1992, whereas the officer contended that he shifted to the residence in Nov, 1995. As per his contention which was established in the inquiry, the recovery worked out to Rs.43,556/- which had been realized from him.

Recovery of Rs.115,134/- was due against dr. Muhamad Azhar who was on Ex-Pakistan leave without pay which would be effected from him on assumption of duty by him.

The Committee settled parts of the para pertaining to Dr. Aftab Ahmad and Dr. Javaid Iqbal and kept the remaining part pending pertaining to Dr. M. Azhar for effecting recovery.

**10.11.2004** The Department explained that partial recovery had been effected while recovery from Dr. Muhammad Azhar was not possible because of his ex-Pakistan leave.

The Committee directed the Department to get recovery already effected verified by Audit and expedite action for balance recovery.

**The para was kept pending.**

**115. Para No.81.22 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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Allied Hospital, (PMC) Faisalabad-Rs.232,724/-.

**12.3.2004** The department explained that Rs.191,224/- had been deducted from the salaries of the employees concerned leaving a balance of Rs.41,500/-.

The Committee conditionally settled the para subject to verification of complete recovery by audit.

**10.11.2004** The Department explained that an amount of Rs.9,544/- had been recovered while balance amount had been deducted from the salary of the employees the same could be verified from available record.

**The para was settled subject to balance recovery and its verification by Audit.**

**116. Para No.81.23 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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B.V Hospital, Bahawalpur – Rs.27,204/-

**13.3.2004** The department explained that total recovery had been realized.

The Committee conditionally settled the para subject to verification of recovery by audit.

**6.7.2004** The Department explained that the recovery of the House Rent had been made good from the concerned defaulters.

The Committee settled the para subject to verification of recovery by Audit.

**10.11.2004** The Department explained that recovery of Rs.25,992/- had already been effected whereas recovery of Rs.1,212/- was not due as the dresser was exempted from house rent as per rules.

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

**117. Para No.81.24 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery Of Rs.7,502,379/- On Account Of Non-Deduction Of 5% Of Pay As House Rent.**

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Aziz Bhatti Shaheed Hospital, Gujrat -Rs.139,897/-.

**11.11.2004** The Department explained that actual outstanding amount of Rs.44,215/- had been recovered from the defaulters whereas recovery of Rs.95,681/- was not justified as the medical staff was exempted from deduction of house rent.

The Committee directed the department to effect recovery of balance amount at the earliest.

The para was kept pending.

**118. Para No.81.25 Pages 53 & 59 of Audit Report for the year 1998-99; Recovery of Rs.7,502,379/- on account of non-deduction of 5% of pay as house rent.**

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T. H. Q, Hospital, Samundari Faisalabad-Rs.23,560/-.

**13.3.2004** The department explained that out of total recoverable amount of Rs.23,560/- an amount of Rs.16,396/- had been recovered. Efforts were underway for balance recovery. However, recovery of Rs.1548/- due against Muhammad Akram (Junior Clerk) was not possible because he was no more alive and case for write off sanction by the competent authority had been prepared.

The Committee settled the para subject to balance recovery and write off sanction by the competent authority.

**11.11.2004** The Department explained that partial recovery had been effected and for the balance amount a case for write off had been referred to the competent authority.

The para was conditionally settled subject to write off sanction by the competent authority.

**119. Para No.82.2 Pages 53, 59 & 60 of Audit Report for the year 1998-99; Overpayment of stipends amounting to Rs.5,288,030/-.**

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Government Mental Hospital, Lahore-Rs.45,696/-.

**12.3.2004** Audit had pointed out that mess and uniform stipends were paid to nurses on training during absence to which they were not entitled. Hence, loss to Government was caused.

The department explained that recoverable amount was Rs.45,655/- instead of 45696/- out of which Rs.44,559/- had been recovered. Remaining balance of Rs.1,096/- would be recovered at the earliest.

The Committee settled the para subject to verification of balance recovery.

**10.11.2004** The Department explained that actual outstanding amount had been recovered and deposited into Government treasury.

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

**120. Para No.82.4 Pages 53, 59 & 60 of Audit Report for the year 1998-99; Overpayment of Stipends Amounting to Rs.5,288,030/-.**

N/S Allied Hospital, Faisalabad-Rs.275,133/-.

**10.11.2004** The department explained that para comprised two advance paras. In case of AP No. 1, it was stated that an inquiry was held into the matter which revealed that actual loss was Rs.205,470/- and Deputy Commissioner Faisalabad had been requested to recover the loss as arrears of land revenue. In case of AP No.3, it was stated that total recovery had been effected and deposited into government treasury.

The para was conditionally settled subject to complete recovery and its verification by Audit.

**121. Para No.82.5 Pages 53, 59 & 60 of Audit Report for the year 1998-99; Overpayment of Stipends Amounting to Rs.5,288,030/-.**

Allied Hospital (PMC), Faisalabad-Rs.578,447/-.

**10.11.2004** The department explained that an inquiry was conducted into the matter, which revealed that nurses living in hostel were entitled for house rent allowance provided and they were also paying the rent as per assessment.

Audit stated that facts had been verified.

The **para was accordingly settled.**

**122. Para No.82.7 Pages 53, 59 & 60 of Audit Report for the year 1998-99; Overpayment of Stipends Amounting to Rs.5,288,030/-.**

D.H.Q, Hospital, Sheikhupura-Rs.1,192,175/-.

**11.11.2004** Audit had pointed out stipends were paid to the under training Nurses during absence period under training for which they were not entitled.

The Department explained that as per findings of inquiry into the matter, the then Medical Superintendent and Cashier were found responsible for financial irregularities and a case in this connection was under trial in the court of Special Judge Anti Corruption Punjab, Lahore.

The issue involved in the para being sub-judice **the para was kept pending.**

**123. Para No.83 Pages 65 of Audit Report for the year 1998-99; Irregular drawal of pay and allowances valuing Rs.191,964/-**

**6.7.2004** Audit had pointed out that the stated amount was drawn on account of pay and allowances of cooks and telephone operator whereas there was no provision of diet to patients and there was no telephone exchange.

The Department explained that due to stoppage of diet to TB patients, the services of cooks were utilized in other departments of the Hospital. Later, after receipt of Government instructions vide letter dated 5.7.2000 to provide diet to T.B patients, the services of cooks were being utilized properly. The telephone exchange which remained out of order for some time was now functioning.

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

**124. Para No.84 Pages 65 & 66 of Audit Report for the year 1998-99; Advance and irregular payment of Rs.1,246,504/-**

**13.3.2004** The department explained that in compliance to audit observation the expenditure had been regularized vide Finance Department's letter dated 22-11-1999 and order was issued by Health Department vide letter dated 2-12-1999. In view of this regularization, SDAC had settled



the para in its meeting held on 6-7/12/1999.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**11.11.2004** The Department explained that expenditure involved in subject para had been regularized by the Finance Department vide orders dated 2.12.1999 and the facts had been verified by Audit.

The para was accordingly settled.

**125. Para No.85 Page 66 of Audit Report for the year 1998-99; Excess Expenditure Over and Above the Budget Provision Amounting to Rs.1,007,389/-**

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**11.11.2004** The Department explained that as per findings of inquiry conducted into the matter a case for regularization of Rs.836,552/- had been sent to competent authority whereas for recovery of Rs.1,057,013/- and Rs.13,824/-, EDO (Health), Lahore had been requested for recovery.

The para was kept pending for recovery of outstanding dues.

**126. Para No.86 Pages 66 & 67 of Audit Report for the year 1998-99; Expenditure beyond competency worth Rs.1,318,359/-.**

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**12.3.2004** The department explained that in the light of Finance Department's letter dated 11.10.2000, the DDO was competent to make purchases according to his requirements subject to availability of specific budget in the relevant head of account and rate contract entered into with the respective firm by the competent authority. Therefore, no irregularity was committed. The audit verified departmental contention.

On the recommendation of audit, the Committee settled the para.

**127. Para No.89 Pages 68 & 69 of Audit Report for the year 1998-99; Expenditure Beyond Competency Amounting to Rs.3,772,131/-**

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**13.11.2004** The Department explained the para on the basis of advance paras as under:-

- i) In case of AP No.12 the purchases were made on rate contract within the competency of DDO which had been verified by Audit.
- ii) In case of AP No.14 DDHO Chonian was probing into the matter which was still under process.

- iii) In case of AP No.16 as a result of departmental inquiry the irregularity was admitted and the case was being referred to Finance Department for regularization of expenditure.
- iv) In case of AP No.18 E&D proceedings had been initiated against the accused officers and an inquiry for the purpose was under process.
- v) In case of AP No.10 & 19 E&D proceedings had been initiated against the accused officials and the case under trial in Anti Corruption Establishment.

The Committee **settled the para to the extent of Part-(i) while the remaining part was kept pending for finalization of inquiry proceedings and necessary action within 60 days.**

**128.            Para No.90 Page 69 of Audit Report for the year 1998-99; Irregular Expenditure on Account of Purchase of Oxygen Gas for Rs.125,079/-**

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**13.11.2004** Audit had pointed out that expenditure on account of Oxygen gas had been misclassified by drawal of amount from the wrong head.

The Department admitted that misclassification of Head had been committed on account of purchase of Oxygen gas but no loss to Government had occurred.

The Committee directed the Department to get the expenditure regularized by Finance Department

**The para was kept pending.**

**129.            Para No.91 Pages 69 & 70 of Audit Report for the year 1998-99; Irregular Expenditure for Purchase of Medicines for Rs.711,000/-.**

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**11.11.2004** Audit had pointed out that expenditure was split up to avoid the sanction of higher authority.

The Department explained that the expenditure had been regularized by the Finance Department which had been verified in the SDAC meeting dated 27.3.2001.

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

**130.            Para No.92 Page 70 of Audit Report for the year 1998-99; Irregular expenditure of Rs.1,152,000/-.**

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**13.3.2004** The department explained that purchase of doctors' coat, towels and curtain cloth was made on the basis of rates approved by the Government from Weaving Factory Shahdara, Lahore, a Government institution. Stock entries were available in the stock register for verification by audit.

On the recommendation of audit, **the Committee settled the para.**

**131. Para No.94 Page 71 of Audit Report for the year 1998-99; Expenditure Over and Above the Sanctioned Budget Valuing Rs.587,945/-.**

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**11.11.2004** The Department explained that para related to Appropriation Accounts for the year 1997-98 which were discussed in ad-hoc PAC meeting on 22.7.2002 and in compliance with PAC direction reconciliation with AG was under process.

The Committee was not satisfied with the departmental explanation and directed to get the expenditure regularized by the Finance Department and also issue warning to the concerned DDO.

**The para was kept pending.**

**132. Para No.95 Page 72 of Audit Report for the year 1998-99; expenditure of Rs.2,981,679/- on the purchase of pharmaceuticals/other stores beyond competency.**

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**6.7.2004** The Department explained that in compliance with the directions of SDAC meeting dated 14-12-1998, the case for regularization of expenditure had been sent to the Finance Department.

**The Committee settled the para with the direction to the Finance Department for early regularization of the case.**

**133. Para No.96 Pages 72 & 73 of Audit Report for the year 1998-99; Illegitimate and wasteful expenditure on purchase of silky curtain cloth valuing Rs.1,169,800/- from irrelevant budget head.**

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**12.3.2004** The department explained that para was discussed in the meeting of SDAC held on 14-12-1998 which directed to get the expenditure regularized by the competent authority. A fact finding Inquiry Committee also made a probe into this matter. As per its findings the purchases were made from Small Industries Corporation, hence no loss was suffered by

Government. However, it was recommended that expenditure be got regularized from competent authority. The case was referred to the Finance Department for regularization which did not agree to the departmental proposal and concluded that the budget was misused for unnecessary purchases, thus action should be taken against the DDO/DHO concerned.

The DHO concerned appeared before the Committee and explained that the curtain cloth was purchased as per approved rates.

The Committee observed that no loss had been sustained by the Government. With this observation, **the para was settled.**

**134. Para No.97 Page 73 of Audit Report for the year 1998-99; Excess expenditure amounting to Rs.1,371,208/- under head “Establishment Charges”.**

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**12.3.2004** Audit had pointed out expenditure over and above the budget allotment.

The Department explained that SDAC in its meeting held on 31.12.1998, had directed that the expenditure be got regularized by the competent authority. The case was accordingly referred to Finance Department for regularization which observed that the distribution of budget was made at a later stage, therefore, there was saving instead of excess. The Department contended that there was saving of Rs.1,384,669/- under the head “pay and allowances” due to late distribution by M.S Allied Hospital.

The Committee kept the para pending and directed the department to get it regularized by the Finance Department.

**10.11.2004** The Department explained that in compliance with PAC direction a case for regularization of the expenditure had been referred to the Finance Department vide letter dated 24.10.2004 and decision thereon was still awaited.

**The para was conditionally settled subject to regularization by the Finance Department.**

**135. Para No.99 Pages 74 & 75 of Audit Report for the year 1998-99; Irregular expenditure amounting to Rs.1,909,530/- on pay and allowances of un-qualified sanitary inspectors.**

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**6.7.2004** The Department explained that as per the findings of fact finding inquiry held into the matter, the officials appointed by DHS Multan were not allowed to join duty by the then

DHO and not a single penny was drawn from the treasury on account of payment of salaries to officials involved in the para.

The **Committed** conditionally settled the para subject to verification of relevant record by audit.

**136.            Para No.100 Pages 75 of Audit Report for the year 1998-99;  
Irregular re-appropriation of funds to the tune of Rs.690,000/-**

**6.7.2004**        The Department explained that the matter was discussed in SDAC meeting dated 11.12.1998 and later the matter was also probed and in the light of findings thereof, the case was referred to the Finance Department for regularization of expenditure.

The **Committed** settled the para subject to regularization of expenditure by the Finance Department.

**137.            Para No.101 Pages 75 & 76 of Audit Report for the year 1998-99;  
Misclassification of expenditure worth Rs.199,200/-**

**6.7.2004**        The Department explained that disciplinary proceedings were held against the officials involved in the aforesaid five paras. The Chief Secretary, Punjab being the authority had exonerated the DHO and Store Keeper, while minor punishment of withholding two increments for two years was imposed on the Accountant. The Department further stated that as no irregularity was established against any accused, no regularization was required.

The Committee accepted the explanation of the department and **settled the para.**

**138.            Para No.103 Pages 76 & 77 of Audit Report for the year 1998-99;  
Irregular purchase of furniture for Rs.578,281/-.**

**13.3.2004**        The department explained that the para was discussed in the meeting of SDAC held on 16-12-1998 which had directed that the expenditure should be got regularized by the competent authority. As per inquiry report, the purchases were made from Punjab Small Industries, a Govt. institution, after fulfillment of codal formalities, hence no loss was sustained to Government. Later power to sanction expenditure on purchase of stores from government production units and purchase on rate contract was clarified by Finance Department vide circular dated 11-10-2000, to the effect that all field officers irrespective of their category would be competent to make purchases. Thus purchases were rightly made by DDO. The audit verified the departmental contention.

On the recommendation of audit, **the Committee settled the para.**

**139. Para No.104 Page 77 of Audit Report for the year 1998-99; Irregular Acceptance Of Tenders Rs.1,104,760/-**

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**11.11.2004** Audit had pointed out that DHO had accepted tenders beyond his competency.

The Department admitted that there was procedural irregularity in the matter which needed to be regularized by the competent authority.

**The para was kept pending for regularization by the competent authority.**

**140. Para No.105 Pages 77 & 78 of Audit Report for the year 1998-99; Infertuous expenditure of Rs.301,345/- on the repair of instruments.**

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**13.3.2004** The department explained that Room Cooler/Water Cooler (plastic) were purchased under correct head of account i.e. 59800 cost of store. The purchases were made through open tender by Purchase Committee and DHS being category-I officer had accorded sanction, to incur expenditure under rules which was accepted by DAO Jhelum during pre-audit.

On the recommendation of audit, **the Committee settled the para.**

**141. Para No.106 Pages 78 & 79 of Audit Report for the year 1998-99; Unauthorized expenditure on the purchase of bedding and clothing valuing Rs.497,990/-.**

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**13.3.2004** The department explained that the para had been discussed in the meeting of SDAC held on 29-12-1998 which had directed that the expenditure should be got regularized by the competent authority. Accordingly, it had been regularized by the Finance Department.

On the recommendation of audit, **the Committee settled the para.**

**142. Para No.107 Page 79 of Audit Report for the year 1998-99; Irregular/ Uneconomical Purchase of Washing Soap, Liquid Cleaner, Detergent Etc. Amounting to Rs.348,120/-.**

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The consideration of para was deferred till 13.11.2004.

**11.11.2004** On 13.11.2004 the Department explained that para was discussed in the SDAC meeting and all codal formalities were observed for purchase of articles/medicines.



The Committee was not satisfied with explanation of the Department and directed it to get the expenditure regularized at the earliest and also take disciplinary action against the DDO for non-production of record.

The para was kept pending.

**143. Para No.108 Pages 79 & 80 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.527,562/- on Repair of Equipment/Instruments Beyond Financial Competency.**

**11.11.2004** The Department explained that as per findings of inquiry report, no loss to Government had occurred and all codal formalities were observed and in case of expenditure beyond competency clarification from Finance Department had been issued vide letter dated 11.12.1980. However, a case for regularization had been sent to Finance Department.

The para was kept pending for regularization by the Finance Department.

**144. Para No.109 Page 80 of Audit Report for the year 1998-99; Irregular local purchase of medicines for Rs.492,700/-**

**6.7.2004** Audit had pointed out the purchase of medicines in violation of the Delegation of Financial Powers Rules 1990.

The Department stated that on the basis of fact finding enquiry, the then DDO and Accountant were proceeded against under the E&D rules. They were, however, exonerated by the Chief Minister, Punjab vide order dated 15.4.2004.

The Committee accepted the explanation of the department and **settled the para.**

**145. Para No.110 Pages 80 & 81 of Audit Report for the year 1998-99; Irregular expenditure of Rs.90,000/- on the purchase of foam mattresses.**

**13.3.2004** The department explained that the para had been settled by SDAC, in its meeting held on 4-5/11/1999 with observation that the purchase was made after getting NOC from MSD, through open tender after obtaining sanction of the competent authority issued on 6-6-1998.



On the recommendation of audit, the **Committee settled the para.**

**146. Para No.111 Page 81 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.466,000/- on the Purchase of Miscellaneous Store Items.**

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**11.11.2004** Audit had pointed out that DHO being an officer of category-II incurred expenditure beyond his competency.

The Department explained that disciplinary action was initiated against Dr. Khuda Bakhsh Malik and his 20% pension was withheld. However, as a result of inquiry conducted into the matter, no loss to Government was noticed. The Department requested for settlement of the para keeping in view the retirement of accused official.

The Committee directed the Department to get the expenditure regularized by the Finance Department.

The **para was kept pending.**

**147. Para No.112 Page 82 of Audit Report for the year 1998-99; Irregular expenditure of Rs.1,733,984/- on repair and maintenance of machinery & equipment.**

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**12.3.2004** The department explained that repair work of machinery & equipment was carried out through open tender after obtaining sanction from the competent authority under the relevant provision of Delegation of Financial Powers Rules, 1990. History sheets of machinery and equipment and the proper record regarding receipt & disposal of parts was available for verification.

The Committee accepted the explanation of the department and **settled the para.**

**148. Para No.113 Pages 82 & 83 of Audit Report for the year 1998-99; Unverified payment of stipend amounting to Rs.9,124,209/- to house surgeons/ physicians and lecturers.**

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**12.3.2004** The department explained that total recovery had been realized. During the course of the meeting, the audit verified departmental contention.

On the recommendation of audit, the **Committee settled the para.**

**149.            Para No.114 Page 83 of Audit Report for the year 1998-99; Irregular repair of machinery and equipments for Rs.767,525/-.**

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**12.3.2004**      Audit had pointed out that MS was not competent to sanction repair of equipment beyond Rs.20,000/- under rule 3(b)(ii) of Delegation of Financial Powers Rules 1990.

The department explained that MS being category-I officer was competent to sanction expenditure upto Rs. 1 Lac or 50% of book value of machinery whichever was less under S.No.7-B and not S.No.3(b)(ii). Moreover, purchase of spare parts was made after obtaining approval of competent authority and observing all the codal formalities. An inquiry was also held and as per its report contention of the department was found correct.

The Audit verified the Departmental contention on the recommendation of Audit, **the Committee settled the para.**

**150.            Para No.115 Pages 83 & 84 of Audit Report for the year 1998-99; Expenditure of Rs.609,948/- Made Over and Above the Budget Allotment.**

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**11.11.2004**    The Department explained that an inquiry was conducted into the matter concluding that Hospital authorities had requested for provision of additional funds after receipt of modified grant. The funds were drawn to obviate disconnection of electricity with anticipation of additional funds. No financial loss had taken place.

The Committee accepted the departmental reply and **settled the para.**

**151.            Para No.116 Page 84 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.104,395/- on Repair of Equipments.**

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**11.11.2004**    Audit had pointed out that expenditure was split up to avoid the sanction of higher authority.

The Department explained that an inquiry was conducted into the matter which concluded that an amount of Rs.24,610/- had been wrongly included in the para whereas expenditure of Rs.63,165/- had been made within the competency of DDO. However, that expenditure of Rs.75,825/- had been regularized by the competent authority.

Audit stated that facts had been verified.

The para was accordingly settled.

**152. Para No.117 Pages 84 & 85 of Audit Report for the year 1998-99; Illegitimate expenditure of Rs.124,710/- on the repair and maintenance of hostel furniture.**

**12.3.2004** Audit had pointed out that expenditure on repair of furniture of hostel was met from Government fund instead of students fund as was the practice.

The department explained that there was no provision in the rules which allowed repair & maintenance of hostel furniture from students fund. However, students were paying Rs.50/- per month as hostel rent which being Government money was deposited into Government treasury. The Audit stated that departmental contention was tenable.

On the recommendation of audit, **the Committee settled the para.**

**153. Para No.118 Page 85 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.2,623,520/- on Equipment.**

**10.11.2004** The department explained that para comprised three advance paras. In case of AP No. 14, it was stated that NOC was not required from Govt Medical Equipment Workshop in case of sophisticated equipment as per Health Department's directions. As such all the codal formalities were observed. In case of Advance Para No. 15 the firm was sole agent of M/s Shumasza Japan and repair was got done after obtaining sanction from the Health Department. In case of AP No. 16 no NOC was required for technical equipment and all codal formalities were observed before carrying out the repair.

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

**154. Para No.119 Page 86 of Audit Report for the year 1998-99; Irregular Purchase of Medicines Worth Rs.5,090,243/-.**

**11.11.2004** Audit had pointed out that medicines were purchased from local market without observing codal formalities.

The Department explained that as per result of inquiry conducted into the matter it was revealed that total amount pointed out by Audit was incurred on purchase of medicines during two financial years either from MSD or after getting non-availability certificates from MSD and all the codal formalities was observed.

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

**155.            Para No.121 Page 87 of Audit Report for the year 1998-99; Irregular purchase of operation theater (O.T) bulb amounting to Rs.173,200/-**

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**13.3.2004**        The department explained that the para had been settled by SDAC in its meeting dated 10-11 September 1999, and a probe was also conducted. As per decision of SDAC, purchase was made through open tender system and M.S. being category-I officer was competent to sanction the expenditure. Stock entries of the parts were also verified.

The Committee accepted the explanation of department and **settled the para.**

**156.            Para No.122 Page 88 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.231,600/- on Repair of Equipments.**

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**11.11.2004**    Audit had pointed out that Medical Superintendent incurred expenditure on repair of equipment by splitting up the indent to avoid sanction of higher authority.

The Department explained that different items were got repaired on different occasions after observing all codal formalities and the DDO was competent for repair of machinery and equipment upto Rs.4,000/- and in purchase of printed material no violation of rules was noticed. Audit stated that the contention of Department regarding part-I of para involving expenditure upto Rs.26,000/- and 11,900/- had been verified. However, in case of part-II involving Rs.134,100/- and Rs.59,000/- DDO was not competent for repair of M&E and printing and it was required to be got regularized by Finance Department.

**The para was settled to the extent of part-I and part-II was kept pending for regularization by the competent authority.**

**157.            Para No.123 Page 88 of Audit Report for the year 1998-99; Irregular purchase of iron beds for Rs.1,138,500/-.**

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**13.3.2004**        Audit had pointed out that expenditure was split up and codal formalities were not observed while purchasing iron beds.

The department explained that as per inquiry report open tenders were invited through press but bills were split up. In fact the procurement was made on 8 different occasions as per requirement and accordingly sanction accorded was within the competency of Medical Superintendent.

Finance Department observed that splitting of expenditure should have been avoided as it was done to create justification for competency. Therefore, the expenditure be got regularized by Finance Department.

The Committee kept the para pending and directed the department to get it regularized by the Finance Department.

**10.11.2004** The Department explained that in compliance with PAC directions a case for regularization had been sent to Finance Department vide letter dated 10.9.2004.

**The para was conditionally settled subject to regularization by Finance Department.**

**158.            Para No.124 Page 89 of Audit Report for the year 1998-99; Irregular purchase of durable goods etc. for Rs.3,240,923/-.**

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**13.3.2004** The department explained that tenders were invited through press for the purchase of different store items and contract was awarded to the lowest bidder after approval by the purchase Committee. Purchases were made on different occasions as per requirement of the hospital and bills were drawn accordingly. Moreover an inquiry was also conducted which was under process.

The Committee kept the para pending till the finalization of inquiry report and decision thereon by the competent authority.

**10.11.2004** The Department explained that in compliance with PAC directions inquiry report under the Chairmanship of Principal Sheikh Zaid Hospital RHK had been finalized which revealed that no loss had been established in case of DC plates, reamers and durable goods. However, a loss of Rs.147,036/- had been reported by the inquiry in case of lab system kits, ETT rolls and Surgical gloves. The inquiry report was yet to be approved by the competent authority.

**The para was kept pending with the direction that Administrative Secretary should take suitable action in the matter.**

**159.            Para No.125 Pages 89 & 90 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.936,985/- on Account of Repair of Machinery.**

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**11.11.2004** Audit had pointed out that department incurred expenditure on repair of machinery but history sheet and sanction of competent authority were not produced to Audit.

The Department explained that as per findings of the inquiry conducted into the matter, sanction of competent authority for incurrence of expenditure on account of repair of machinery was obtained and no irregularity was committed. The Administrative Secretary stated that inquiry report had been approved by him.

On assurance of Administrative Secretary, **the para was settled.**

**160.            Para No.126 Page 90 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.462,703/- on Account of Printing.**

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**11.11.2004** The Department explained that the para had been referred to Sub-Committee-VI of PAC-I in its meeting held on 13.3.2004 but the Sub-Committee could not hold its meeting due to sickness of Mr. Ata Muhammad Khan Manika, MPA (PP-227).

The Committee after due consideration of the matter re-appointed the Sub-Committee-VI comprising the following:-

- i)            Mr. Ali Hassan Raza Qazi, MPA (PP-73)    Convener
- ii)          Pir Kashif Ali Chshti, MPA (PP-231)        Member

The Sub-Committee would probe into the matter pertaining to the para and submit its report to PAC-I within 30 days.

**The para was kept pending.**

**161.            Para No.127 Pages 90 & 91 of Audit Report for the year 1998-99; Irregular Repair and Purchase of Dental Units Amounting to Rs.387,400/-.**

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**11.11.2004** Audit had pointed out that sanction for repair of dental units was accorded by Finance Department in 1996-97 whereas payment was drawn in the next finance year. Moreover, codal formalities were not observed.

The Department explained that Finance Department allowed the drawl of amount to meet the expenditure from the budget of next year vide letter dated 26.7.1997 and all the codal formalities were observed. However, the first and second lower standards were ignored due to the fact that both the firms were found bogus on spot verification. The Administrative Secretary stated that he was satisfied with the inquiry conducted into the matter verifying the aforesaid facts.







**164.            Para No.131 Page 93 of Audit Report for the year 1998-99; Purchase of novel items valuing Rs.410,090/-**

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**13.3.2004**        The Department explained that the para had been settled in meeting of SDAC held on 23-24/8-2000 and as per its decision, bedding and clothing material did not fall under the category of novel items being used in hospitals.

On the recommendation of audit, **the Committee settled the para.**

**165.            Para No.132 Pages 93 & 94 of Audit Report for the year 1998-99; Irregular Local Purchase of Medicines Worth Rs.2,794,496/-**

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**13.11.2004**        The Department explained that the matter was under investigation with National Accountability Bureau, however, record have been received back from NAB which could be verified.

The **para was kept pending with the direction that necessary probe be made in the department.**

**166.            Para No.133 Page 94 of Audit Report for the year 1998-99; Irregular/un-authorized expenditure of Rs.1,577,905/- on repair of equipments.**

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**6.7.2004**        The Department explained that as per the findings of an inquiry held into the matter, neither the expenditure was split up nor was any irregularity committed by incurring the expenditure in a single day.

The Committee accepted the explanation of the department and **settled the para.**

**167.            Para No.134 Page 95 of Audit Report for the year 1998-99; Loss of Revenue Amounting to Rs.899,700/- Due to Misuse of Private Rooms.**

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**11.11.2004**        The Department explained that an inquiry was conducted into the matter which scrutinized all the record pertaining to receipt and deposit in respect of private rooms and charges for all the services in the private room were collected whereas all such services were free in the General Wards. However Audit had wrongly calculated the rent of rooms and actual recovery of

actual outstanding amount had been effected and deposited into the treasury. As such no room was misused.

The Committee accepted the departmental explanation and **settled the para.**

**168. Para No.135 Pages 95 & 96 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.224,999/- On Account of Printing of Patient Cards.**

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**13.11.2004** The Department explained that disciplinary action was being taken against the accused persons and EDO(Health), Lahore was probing into the matter which would be finalized at the earliest.

The Committee directed that action should be taken against the culprits within 60 days under intimation to PAC.

The **para was kept pending.**

**169. Para No.136 Page 96 of Audit Report for the year 1998-99; Irregular purchase of medicines worth Rs.715,300/-.**

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**12.3.2004** Audit had pointed out that original bill of firm for Rs.715,300/- was not attached with the contingent bill rather another bill for Rs.535,860/- was found attached. The Department explained that Rs.690,264/- had been deposited into Govt. treasury. In so far as transfer of funds amounting to Rs.25,036/- from tax head to health head was concerned, the funds were lying in the Govt. treasury and there was no loss to the public exchequer, however, the matter had been taken up with the DAO concerned for necessary correction. The DHO concerned present in the meeting also endorsed the stand point of the Department.

The Committee accepted the explanation of the department/officer concerned and **settled the para.**

**170. Para No.137 Pages 96 & 97 of Audit Report for the year 1998-99; Unnecessary and illegitimate expenditure of Rs.1,695,000/- on repair of angiography machine.**

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**12.3.2004** The department explained that the X-ray tube was purchased for Angiography machine of Cardiac Cath Lab. The Angiography machine was procured and installed in 1985 and its new X ray tube head was replaced and commissioned on 29-7-1999 because the imaging capacity of the old one had declined to the lowest level thus it could expire at any moment

resulting in a severe set back to the functioning of the cardiology department.

Audit verified the contention of the Department.

On the recommendation of audit, **the Committee settled the para.**

**171. Para No.138 Pages 97 & 98 of Audit Report for the year 1998-99; Irregular expenditure of Rs.255,076/- due to irregular appointment of two doctors.**

**13.3.2004** Audit had pointed out that two doctors were appointed by the hospital authorities in private capacity but their salaries were paid out of Government receipts realized from patients.

The department explained that the doctors were appointed by the Patient Welfare Society, which was working with the permission of the Government. The salaries of the doctors were being paid from the funds generated by the society. An inquiry was also held whose findings were awaited.

The Committee observed that such patients welfare organizations should be encouraged. With this observation, **the Committee settled the para.**

**172. Para No.139 Page 98 of Audit Report for the year 1998-99; Irregular expenditure of Rs.754,310/- on the purchase of durable goods.**

**12.3.2004** Audit had pointed out that durable goods i.e. electro medical equipments were purchased from the irrelevant head of account. Similarly, sanctions accorded to incur expenditure were also not in order.

The Department explained item-wise position with reference to audit observations and stated that store items for use in different departments were procured from time to time which fell within the competency of the M.S.

The Audit verified the departmental contention.

On the recommendation of audit, **the Committee settled the para.**

**173. Para No.140 Pages 98 & 99 of Audit Report for the year 1998-99; Doubtful expenditure of Rs.187,260/- on Account of Repair of Sign Boards and**

## **Cooling Equipment.**

**13.11.2004** The Department explained that the matter was under investigation with National Accountability Bureau, however, record have been received back from NAB which could be verified.

The para was kept pending with the direction that necessary probe be made in the department.

**174. Para No.141.1 Pages 63 & 99 of Audit Report for the year 1998-99; Advance payment to Wapda Worth Rs.1,910,071/- Without Meter Reading.**

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T.H.Q.Hospital Burewala, District Vehari. Rs.696,000/-

**13.11.2004** The Department explained that as per discussion of SDAC dated 14.12.1999, Revenue Officer WAPDA had issued a certificate recording units consumed stating that against total amount due upto June 98 i.e. Rs.735,116/-, an amount of Rs.680,383/- had been adjusted against MS THQ Burewala. It was added that action had been taken against the DDO for non-production of record to Audit.

The Committee was not satisfied with the explanation of the Department and directed to probe into the matter and submit the report thereon by 31.12.2004.

The para was kept pending.

**175. Para No.141.2 Pages 63 & 99 of Audit Report for the year 1998-99; Advance Payment to WAPDA Worth Rs.1,910,071/- Without Meter Reading.**

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D.H.Q, Hospital, Vehari-Rs.426,000/-.

**13.11.2004** The Department explained that as a result of inquiry it revealed that keeping in view any emergency in the Hospital and just to avoid the disconnection of electricity meters, the payments of electricity bills were made because of availability of funds. However, no malafide intention was involved.

The explanation of department was accepted and the para was settled subject to verification of record by Audit.

**176. Para No.141.3 Pages 64 & 99 of Audit Report for the year 1998-99;**

**Advance Payment to WAPDA Worth Rs.1,910,071/- Without Meter Reading.**

D.H.O, Lodhran-Rs.788,971/-.

**11.11.2004** The Department explained that adjustment of the amount paid to WAPDA had been made according to the reading of the meters which had been verified in the SDAC meeting dated 6&7.12.1999. However, Audit stated that no record had been produced for verification.

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

**177. Para No.142.1 Pages 64, 99 & 100 of Audit Report for the year 1998-99; Daily Expense Books Not Maintained Resulting in Doubtful Consumption of Medicines Worth Rs.519,338/-**

T.H.Q.Hospital Mailsi, District Vehari. Rs.259,893/-

**13.11.2004** The Department explained that Audit had wrongly calculated the amount and the actual amount of medicines pertaining to the year 1997-98 came to Rs.207,013/-. The medicines were issued to different departments from main expense book and all the relevant record was available for verification which could be verified.

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

**178. Para No.142.2 Pages 64, 99 & 100 of Audit Report for the year 1998-99; Daily Expense Books Not Maintained Resulting in Doubtful Consumption of Medicines Worth Rs.519,338/-**

T.H.Q.Hospital Burewala, District Vehari. Rs.259,445/-

**13.11.2004** The Departmental contention respecting the para had been accepted and verified by Audit and was recommended for settlement.

The said para was accordingly settled.

**179. Para No.143.2 Pages 64 & 100 of Audit Report for the year 1998-99; Purchase of medicines beyond competency worth Rs.17,790,279/-**

DHO Sahiwal – Rs.1,328,637/-

**6.7.2004** The Department explained that disciplinary proceedings were held against the officials involved in the aforesaid five paras. The Chief Secretary, Punjab being the authority had exonerated the DHO and Store Keeper, while minor punishment of withholding two increments for two years was imposed on the Accountant. The Department further stated that as no irregularity was established against any accused, no regularization was required.

The Committee accepted the explanation of the department and **settled the para.**

**180. Para No.143.3 Pages 64 & 100 of Audit Report for the year 1998-99;  
Purchase of medicines beyond competency worth Rs.17,790,279/-**

DHO, Multan – Rs.4,681,709/-

**13.3.2004** The department explained that the para had been discussed in the meeting of SDAC held on 16-12-1998 and was kept pending for regularization from the Finance Department. Further, as per inquiry report, local purchase of medicines was made by DHO with the approval of the competent authority. The procurement on Government approved rate at Multan was cheaper than the procurement through Lahore based MSD involving additional expenditure on transportation and transit risk factor. Hence, rather saving was achieved. The case for regularization had since been referred to Finance Department whose decision was awaited.

The Committee directed the Department to get the expenditure regularized by the Finance Department.

The para was kept pending.

**11.11.2004** The Department explained that a case for regularization had been referred to the Finance Department vide letter dated 24.10.2004 and decision thereon was still awaited.

**The para was kept pending till regularization by Finance Department.**

**181. Para No.143.4 Pages 64 & 100 of Audit Report for the year 1998-99;  
Purchase of medicines beyond competency worth Rs.17,790,279/-.**

R. H. C, Sher Shah Multan-Rs.135,011/-.

**13.3.2004** The department explained that as per decision of SDAC, meeting held on 28-12-1999, the expenditure incurred had been regularized by the competent authority.

On the recommendation of audit, **the Committee settled the para.**

**182. Para No.143.5 Pages 64 & 100 of Audit Report for the year 1998-99;**



**Purchase of Medicines Beyond Competency Worth Rs.17,790,279/-.**

D.H.O, Khanewal-Rs.2,321,235/-.

**11.11.2004** Audit had pointed out that the department purchased medicines over the limit prescribed by Government. Moreover, the purchase was beyond the competency of the DDO.

The Department explained that the para was discussed in the SDAC meeting and as per directions thereon a case for regularization had been referred to the Finance Department. However, a fact finding inquiry was conducted which revealed that no loss had taken place.

The **para was conditionally settled subject to regularization by the Finance Department.**

**183. Para No.143.6 Pages 64 & 100 of Audit Report for the year 1998-99; Purchase of Medicines Beyond Competency Worth Rs.17,790,279/-.**

D.H.O, Bahawalnagar-Rs.3,177,746/-.

**11.11.2004** The consideration of para was deferred till 13.11.2004.

On 13.11.2004 the Department explained that a case for regularization on the recommendation of the fact finding Inquiry Committee had been referred to Finance Department on 25.8.1999 and reminders for the purpose were also issued but decision of Finance Department was still awaited.

The **para was kept pending.**

**184. Para No.143.7 Pages 64 & 100 of Audit Report for the year 1998-99; Purchase of Medicines Beyond Competency Worth Rs.17,790,279/-.**

D.H.O, (R.H.Cs) Bahawalnagar-Rs.1,033,292/-.

**11.11.2004** The consideration of para was deferred till 13.11.2004.

On 13.11.2004 the Department explained that DCO Bahawalnagar had probed into the matter and concluded that medicines were purchased after observing codal formalities and expenditure was regularized by competent authority.

The Committee was not satisfied with the explanation of the Department and directed



that Health Department should itself probe into the matter to thrash out the facts.

The para was kept pending.

**185. Para No.143.9 Pages 64 & 100 of Audit Report for the year 1998-99; Purchase of Medicines Beyond Competency Worth Rs.17,790,279/-.**

D.H.Q, Hospital, Lodhran-Rs.72,010/-.

**11.11.2004** The Department explained that M.S had incurred expenditure on local purchase of medicines after floating tenders in the press and all the codal formalities were observed. An inquiry was also conducted into the matter which concluded that no miss appropriation had taken place and competent authority had approved its report.

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

**186. Para No.143.10 Pages 64 & 100 of Audit Report for the year 1998-99; Purchase of medicines beyond competency worth Rs.17,790,279/-**

THQ Hospital, Hasilpur District Bahawalpur – Rs.59,225/-

**6.7.2004** The Department explained that as per the directions of SDAC meeting dated 15-12-1999, a fact finding inquiry was held and as per findings thereof, no irregularity was committed while incurring the expenditure on local purchase; rather there was a saving of Rs. 391/-.

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

**187. Para No.143.11 Pages 64 & 100 of Audit Report for the year 1998-99; Purchase of Medicines Beyond Competency Worth Rs.17,790,279/-.**

B.V, Hospital, Bahawalpur-Rs.1,742,026/-.

**11.11.2004** Audit had pointed out that the Department purchased medicines from market over the limit prescribed by the Government and purchases were also beyond the competency of concerned officers.

The Department explained that an inquiry was conducted into the matter and as per findings thereon a case for regularization of the expenditure had been referred to Finance Department vide letter dated 4.8.2004.

The para was conditionally settled subject to regularization by the Finance Department.

**188.            Para No.143.12 Pages 64 & 100 of Audit Report for the year 1998-99; Purchase of Medicines Beyond Competency Worth Rs.17,790,279/-**

Dental Hospital, Lahore – Rs.1,255,839/-

**13.3.2004**        The department explained that medicines were purchased within the competency of competent authority and through open tender.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**11.11.2004**    The Department explained that an inquiry was held into the matter which revealed that all the codal formalities were observed and the DDO was fully competent to incur the expenditure.

In view of above statement of Administrative Secretary, **the Committee settled the para.**

**189.            Para No.144 Pages 100 & 101 of Audit Report for the year 1998-99; Irregular expenditure of Rs.4,400,000/-**

**12.3.2004**        Audit had pointed out that payment was made on service/maintenance of a plant for the period from 1-4-1996 to 31-3-1997, inspite of the fact that it was installed in 6/1995 and the warranty period of free service was 2 years from the date of installation.

The department explained that the actual date of installation of machine was 19-3-1991 and the warranty period expired on 18-3-1993. Hence the service and maintenance contract was given for the period from 1-4-1996 to 31-3-1997, after the expiry of warranty period. In 1995 warranty amount had been paid back to the company. The relevant record was available for verification.

The Committee settled the para subject to verification of relevant record by audit.

**10.11.2004**    The Department explained that an inquiry was held into the matter and no irregularity was noticed. The service maintenance contract along with approval of the Finance Department was available for verification.

The Committee accepted the departmental reply and **the para was settled.**

**190. Para No.145 Page 101 of Audit Report for the year 1998-99;  
Irregular appointment and drawal of pay to the tune of Rs.260,360/-**

**6.7.2004** The Department explained that in compliance with the directions of SDAC meeting dated 12, 13-11-1999, an inquiry was held and in the light of findings thereof services of the employees were got regularized by the Competent Authority.

The Committee accepted the explanation of the department and **settled the para.**

**191. Para No.146 Page 102 of Audit Report for the year 1998-99;  
Irregular Payment of Maintenance Charges of A.C Plant for  
Rs.654,000/-.**

**13.11.2004** The Departmental contention respecting the para had been accepted and verified by Audit and was recommended for settlement.

The said **para was accordingly settled.**

**192. Para No.147 Pages 102 & 103 of Audit Report for the year 1998-99;  
Irregular purchase/wasteful expenditure to the tune of Rs.1,844,379/-**

**6.7.2004** The Department explained that an Inquiry Committee headed by PEO, BVH Hospital had made a probe into the matters involved in para. The major part of medicines was received through MSD Punjab. As per the detailed findings, expired medicines had been replaced by the company concerned whereas the other company viz M/S Johnson and Johnson (Pvt.) Ltd. Karachi had been approached for replacement of the remaining expired medicines.

The **Committee conditionally settled para subject to verification of replacement of medicines/relevant record by audit.**

**193. Para No.149 Pages 106 & 107 of Audit Report for the year 1998-99;  
Irregular purchase of medicines and stores valuing Rs.1,860,396/- without justification.**

**6.7.2004** The Department explained that disciplinary proceedings were held against the officials involved in the aforesaid five paras. The Chief Secretary, Punjab being the authority had

exonerated the DHO and Store Keeper, while minor punishment of withholding two increments for two years was imposed on the Accountant. The Department further stated that as no irregularity was established against any accused, no regularization was required.

The Committee accepted the explanation of the department and **settled the para.**

**194. Para No.150 Page 107 of Audit Report for the year 1998-99; Recovery of Rs.362,242/- due to distribution of medicines purchased without requirement.**

**6.7.2004** The Department explained that disciplinary proceedings were held against the officials involved in the aforesaid five paras. The Chief Secretary, Punjab being the authority had exonerated the DHO and Store Keeper, while minor punishment of withholding two increments for two years was imposed on the Accountant. The Department further stated that as no irregularity was established against any accused, no regularization was required.

The Committee accepted the explanation of the department and **settled the para.**

**195. Para No.151 Page 108 of Audit Report for the year 1998-99; Excess rate charged amounting to Rs.666,431/-.**

**12.3.2004** The department explained that since purchase of stationery, medicines and general store items was spread over the whole year, therefore quotations were called instead of inviting tenders through the press. A fact finding inquiry had been held, however, the same had been remanded back with certain observations. The Department requested that the matter be kept pending till finalization of probe.

On the request of the department, the Committee kept the para pending till next meeting.

**10.11.2004** The Department explained that inquiries were being held into the matter pertaining to subject paras which were still under process.

The Committee directed the Department to finalize the inquiry proceedings within 30 days under intimation to the PAC.

The **para was kept pending.**

**196. Para No.154 Pages 109 & 110 of Audit Report for the year 1998-99; Undue favouritism to contractors valuing-Rs.595,238/-.**

**13.3.2004** Audit had pointed out that rate contract for supply of general store items for the year 1997-98 was awarded by DHS Multan Division at higher rates and the contract was extended. Even then the rates were higher than the prevailing market rates.

The department explained that as per the inquiry report the rates were exorbitant.

The Committee kept the para pending and directed the department to examine inquiry report and submit a report in the next meeting.

**11.11.2004** The Department explained that the inquiry report had been approved by the competent authority. Resultantly, notice for recovery of Rs.68,002/- had been issued to the then Chairman/Members of the Purchase Committee.

The para was conditionally settled subject to recovery.

**197. Para No.155 Page 110 of Audit Report for the year 1998-99; Purchase Of Medical Equipment Worth Rs.345,754/- At The Exhorbitant Rates.**

**11.11.2004** Audit had pointed out that medical equipment was purchased at higher rates without observing codal formalities.

The Department explained that as per findings of inquiry conducted into the matter, all the codal formalities were observed and NOC was obtained from MSD and the bills were verified by the District Accounts Officer before payment.

The Administrative Secretary had approved the findings of inquiry report.

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

**198. Para No.157 Page 111 of Audit Report for the year 1998-99; Non-optimum utilization of services of kitchen staff resulting in wasteful expenditure to the tune of Rs.602,443/-**

**13.3.2004** The department explained that as per the findings of an Inquiry Committee, the contention of audit was not based on facts. Cooks and misalchis were not only meant for serving in hospital kitchen, but also required for Nursing Hostel where 300 nurses were residing and to run mess in hostel for house officers. Thus the posts of cooks and kitchen staff and misalchis were according to the requirement of the institution.

The Committee accepted the explanation of department and **settled the para.**

**199.            Para No.158 Page 122 of Audit Report for the year 1998-99;  
Wasteful expenditure of Rs.496,750/- due to purchase of novel items without  
justification.**

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**6.7.2004**        The Department explained that disciplinary proceedings were held against the officials involved in the aforesaid five paras. The Chief Secretary, Punjab being the authority had exonerated the DHO and Store Keeper, while minor punishment of withholding two increments for two years was imposed on the Accountant. The Department further stated that as no irregularity was established against any accused, no regularization was required.

The Committee accepted the explanation of the department and **settled the para.**

**200.            Para No.159 Pages 112 & 113 of Audit Report for the year 1998-99;  
Installation of a defective laundry plant resulting in apprehended loss of  
Rs.5,000,000/- to Government.**

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**12.3.2004**        The Department explained that the para had been settled by SDAC in its meeting held on 13.9.1999. The laundry plant was purchased by Purchase Cell of the Health Department. No extra expenditure on its installation, repair and maintenance had been incurred and paid by hospital and it was working satisfactorily.

On the recommendation of audit, **the Committee settled the para.**

**201.            Para No.160 Page 113 of Audit Report for the year 1998-99;  
Purchase and retention of machinery and equipment without immediate  
requirement resulting in blocking the capital amounting to  
Rs.3,548,075/-.**

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**12.3.2004**        The Department explained that as per the report of the Inquiry Committee, the machinery and equipment were purchased after completing all codal formalities under the approved scheme. Since funds amounting to Rs.3,263,000/- were allocated for 1995-96, the MS/DDO was bound to utilize the same in that year as these were lapsable. However, due to non-handing over of the building of operation theatre by the Buildings Department, these equipments could not be installed upto June 1998 which were later installed and operation theatre started functioning. It was further stated that the purchase of equipment by MS and construction and handing over of the building by the Buildings Department were two different matters.



The Committee accepted the explanation of the department and **settled the para.**

**202. Para No.161 Pages 113 & 114 of Audit Report for the year 1998-99; Wasteful expenditure of Rs.41,031,126/- on purchase of catheterization.**

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**13.3.2004** The department explained that shipment was within period but commissioning of equipment was late, which now had been completed and was working properly.

The audit verified departmental contention in the meeting.

On the recommendation of audit, **the Committee settled the para.**

**203. Para No.164 Pages 115 & 116 of Audit Report for the year 1998-99; Overpayment of Rs.301,885/- due to purchase of medicines without requirement.**

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**13.3.2004** Audit had pointed out that medicines were purchased over and above the requirement and thus expired due to non-issuance.

The department explained that some expired medicines had been got replaced by the concerned company whereas the other company had been approached for the replacement of remaining medicines. It was further stated that MSD had supplied medicines which were not requisitioned.

The Committee settled the para with the observation that it should not be quoted as precedent. The Committee also directed the Health Secretary to issue instructions to all concerned to purchase medicines as per requirement.

**6.7.2004** The Department explained that an Inquiry Committee headed by PEO, BVH Hospital had made a probe into the matters involved in para. The major part of medicines was received through MSD Punjab. As per the detailed findings, expired medicines had been replaced by the company concerned whereas the other company viz M/S Johnson and Johnson (Pvt.) Ltd. Karachi had been approached for replacement of the remaining expired medicines.

The Committee conditionally settled para subject to verification of replacement of medicines/relevant record by audit.

**10.11.2004** The Department explained that the para had already been settled in the PAC meeting held on 11-13 March 2004. However, it was added that some expired medicines had



been replaced by the concerned company and MSD had also supplied medicines which were not requisitioned. It was added that necessary instructions had been issued to all the concerned quarters.

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

**204.            Para No.165 Pages 116 & 117 of Audit Report for the year 1998-99; Uneconomical Repair of Image Intensifier Costing Rs.745,000/- and Non-Utilization of the Machine.**

**11.11.2004**    Audit had pointed out that the Department purchased an image intensifier but the same did not work properly but the suppliers were not penalized for defective supply and repair was got done from another firm.

The Department explained that an inquiry was conducted into the matter and its recommendations showed that machine was working properly after its installation. However, it was not in working order before flood in 1996 and due to flood more spots damaged. Therefore, the expenditure on repair was charged from post flood grant after approval of competent authority.

Administrative Secretary stated that he was satisfied with findings of inquiry. Finance Department also supported the departmental contention.

The **para was accordingly settled.**

**205.            Para No.167 Pages 117 & 118 of Audit Report for the year 1998-99; Non Surrendering of Funds Valuing Rs.1,070,701/-.**

**11.11.2004**    The Department explained that funds released to the Department through regular budget were insufficient and additional funds were released by DHS Gujranwala at the end of the year. The funds could not be utilized/surrendered due to late receipt.

The Committee directed the Department to get the matter regularized by the Finance Department and also issue warning to the concerned DDO to surrender the surplus funds well in time.

The **para was kept pending.**

**206.            Para No.168 Page 118 of Audit Report for the year 1998-99; Non-replacement of expired medicines worth Rs.899,025/-.**

**12.3.2004** The department explained that medicines were not purchased by the Hospital, rather the same were supplied by MSD and the formalities regarding laboratory test and their shelf life was also responsibility of MSD. However, the expiry of the said medicines had been brought into the knowledge of Govt. with the request to provide their replacement from the concerned supplier. The relevant record indicating quantity, manufacturing date, and expiry along with date of receipt etc. was available for verification.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**10.11.2004** The Department explained that medicines in question were not purchased by the Hospital but the same were supplied by the MSD and the fulfillment of codal formalities was the responsibility of MSD. However, on expiry of said medicines, the MSD was informed for their replacement from the concerned supplier which had not been taken place yet. However, there was no irregularity on part of the Hospital.

The Committee kept the para pending till the matter of replacement of the expired medicines was settled.

**207. Para No.169 Pages 118 & 119 of Audit Report for the year 1998-99; Loss of Rs.210,965/- to Government due to purchase of sub-standard medicines.**

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**12.3.2004** The department explained that the medicines were supplied by the Govt. MSD and report about sub standard medicines had been sent to the concerned quarters. However, medicines costing Rs.85,566/- had been replaced by the supplier. Efforts were underway for the replacement of balance medicines. In the entire process 6 companies had been black listed for the supply of sub standard medicines. The Department requested for the settlement of para because MSD was no more functional.

The Committee expressed its concern on the supply of substandard medicines and directed Secretary Health to hold an inquiry and fix responsibility within 90 days under intimation to PAC.

The para was kept pending.

**10.11.2004** The Department explained that medicines in audit observation were supplied by the MSD after analysis from laboratories and the report was sent to Government for further necessary action. However, in compliance with PAC direction the matter for replacement of expired medicines had been referred to MSD.

The Committee directed the Department either to recover the outstanding amount from concerned persons within 30 days under intimation to PAC or to proceed against the responsible persons.

The para was kept pending.

**208. Para No.170 Page 119 of Audit Report for the year 1998-99; Wasteful expenditure of Rs.230,000 on account of repair of argon laser.**

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**12.3.2004** The Department explained that as per the findings of the Inquiry Committee, the repaired/charged laser tube was working quite satisfactorily. The officer concerned also appeared before the Committee and stated that the para was based on presumption. The repaired laser tube was working satisfactorily since its repair and under the circumstances the expenditure incurred on its repair was genuine. In this regard a certificate from the Professors of Eye Department about the functioning of machine was available.

In view of the explanation given by the officer concerned, and comments made by the Health Secretary, **the Committee settled the para.**

**209. Para No.173 Page 125 of Audit Report for the year 1998-99; Recovery Of Rs.515,632/- Due To Non Deduction Of House Rent Allowance And 5% House Rent On Account Of Irregular Occupation Of Government Residences.**

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**11.11.2004** Audit had pointed out that Government residences at RHC Padhrar were occupied by some officials of the Board of Revenue and Mineral Development which was irregular.

The Department explained that only one room for 2 or 3 months was used by the Patwari whereas Project Manager Mineral Development Corporation had occupied one room temporarily for three or four weeks as his own residence was being white washed. As such no recovery was due from them.

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

**210. Para No.174 Pages 125 & 126 of Audit Report for the year 1998-99; recovery due to abnormal concession of X-ray films worth Rs.189,228/-**

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**13.3.2004** Audit had pointed out that Medical Superintendent had allowed X-ray films free

of cost to the deserving patients beyond his competency of 10% of the total number of such films.

The department explained that as per inquiry report the observation made by audit was not based on facts because no instructions had been issued by the Government which curtailed the competency of Medical Superintendent to allow X-Ray Films free of cost. Therefore, the films used free of cost for poor patients and in teaching hospital were justified.

The Committee accepted the explanation of the department and **settled the para.**

**211. Para No.175 Page 126 of Audit Report for the year 1998-99; Recovery of Rs.1,019,654/- due to less deposit of Government share of the fee realized under self Finance Scheme.**

**12.3.2004** The department explained that outstanding balance of self finance scheme of Rs.1061832/- had been deposited into govt. treasury.

The Committee conditionally settled the para subject to verification of recovery by the audit.

**10.11.2004** The Department explained that outstanding amount of Rs.1,061,832/- had been deposited into Government Treasury and verified by Audit.

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

**212. Para No.176 Page 127 of Audit Report for the year 1998-99; Illegal Payment of Arrear to WAPDA Rs.352,696/-.**

**11.11.2004** The Department explained that there was no excess charges of electricity bills of the Hospital and revenue credit of Rs.662,068/- had been adjusted through bills and the payments had been reconciled with WAPDA. The inquiry conducted into the matter showing the above facts had been approved by the competent authority.

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

**213. Para No.177 Pages 127 & 128 of Audit Report for the year 1998-99; Recovery of Rs.1,927,651/- Due to Irregular Purchase of Medical Gases and Their Accountal.**

**10.11.2004** The department explained that para comprised four parts.

- I) The concerned firms had deposited total amount of Rs.78,828/- on account of Income Tax
- II) An inquiry was conducted into the matter which revealed that total 163 cylinders were missing out of which 96 were with BOC and were returned later and efforts were being made to recover the remaining cylinders from the concerned persons.
- III) The payment for medical gases was made in accordance with the Health Department's letter dated 15-01-1992.
- IV) The Medical Officer was competent according to the Financial Rules in case of the contract for supply of articles procured from local purchase.

The **Committee settled the para subject to balance recovery and its verification by audit.**

**214. Para No.178 Pages 128 & 129 of Audit Report for the year 1998-99; Recovery Due to Irregular Payment of Credit Bill of Electricity Amounting to Rs.1,102,978/-.**

**10.11.2004** The department explained that payment was made to WAPDA at source and the bill paid by the hospital was entered in the relevant record and credit balance was in favour of Hospital which was adjusted in three months. As such no loss to government had taken place.

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

**215. Para No.179 Page 129 of Audit Report for the year 1998-99; Recovery of Rs.661,332/- due to defective contract of canteen, cycle stand and P. C.O.**

**12.3.2004** Audit had pointed out that contracts of canteen and cycle stand were not auctioned but allotted which had caused financial loss to Government.

The department explained that on the advice of the then Health Minister, the contract was awarded to the contractor Mr. Dilawar Hussain. The Department further stated that the then Medical Superintendent who had awarded the contract could not be absolved of his responsibility in this regard.

Finance Department observed that an inquiry was needed to be held to fix responsibility for the lapse.

The Committee directed that the department should hold an inquiry into the matter and fix responsibility.

The para was kept pending.

**10.11.2004** The Department explained that contract of public call booths was awarded first time in 1998-99 and bid money of canteen contract was inclusive of Sui Gas charges as per contract agreement. As such Sui Gas charges were not recoverable from the contractor. Whereas in case of cycle stand, the contractor installed his own electric meter, therefore, no charges were recoverable from him as well.

The contention of the department was accepted and **the para was settled subject to verification of relevant record by Audit.**

**216.            Para No.180 Page 129 of Audit Report for the year 1998-99; Non-recovery of assessed rent amounting to Rs.155,808/-.**

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**12.3.2004** Audit had pointed out that doctors and nurses were residing in Govt. flats/hostel but they were not paying the assessed rent.

The department explained that rooms in Hostel were never allotted. It was used by House Surgeons. However, 2 or 3 rooms were used as duty rooms by doctors during night duty which was also discontinued after construction of ward. Thus no recovery was involved. Rooms in nursing Hostel were allotted on share accommodation basis and rent of each room was regularly paid by its occupants. Therefore, no recovery was outstanding.

The Committee conditionally settled the para subject to verification of department's contention/record by audit.

**10.11.2004** The Department explained that a certificate had been produced by the MS stating that no doctor was allotted room in the Hostel and nurses room were shared by them which could be verified from the relevant record.

The contention of the department was accepted and **the para was settled.**

**217.            Para No.181 Page 130 of Audit Report for the year 1998-99; Recovery of Rs.308,731/- Due to Non Deposit/Less Deposit of Tuition Fee/Hostel Fee.**

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**10.11.2004** The department explained that in view of the audit observation, an inquiry committee was appointed to probe into the matter which had concluded that the advance paras involved in the subject draft para had already been settled earlier. The inquiry report had been



approved by the competent authority.

The contention of the department was accepted and **the para was settled.**

**218. Para No.182 Pages 130 & 131 of Audit Report for the year 1998-99;  
Loss of Rs.2,297,360/- due to un-authorize treatment of patients.**

**6.7.2004** The Department explained that as per the findings of an inquiry held into the matter, only 13293 cases of C.T Scan and ECG instead of 26388 were entertained which stood verified by audit. The inquiry report had also been accepted by the competent authority/ Administrative Secretary.

Audit stated that there was no objection to the settlement of the para as inquiry report had been accepted by the Secretary.

The **Committee settled the para.**

**219. Para No.183 Page 131 of Audit Report for the year 1998-99;  
Recovery of Rs.239,667/- on account of less realization of family room rent and other charges.**

**6.7.2004** The Department explained that as per the findings of an inquiry held into the matter, the recovery pointed out on the basis of calculation of rent for family room @Rs.500/- was not based on facts. The factual position was that there were only single rooms and not the family rooms. The single room rent @Rs.300/- per day had already been charged and deposited into government treasury. Further, recovery on account of less deposit of ambulance charges amounting to Rs. 3,026/- was made good and deposited into government treasury.

Audit stated that a para of similar nature was also included in the report for 1999-2000 which was discussed by PAC-II and was kept pending for inquiry.

The Committee observed that no audit comments in respect of this para had been furnished, therefore, **the para was kept pending.**

**220. Para No. 184 Page 132 of Audit Report for the year 1998-99; Non-deposit of Government Receipt into Government treasury amounting to Rs.2,516,901/-**

**13.3.2004** The department explained that the entire amount after drawing from the PLS account of the college had been deposited into Govt. treasury through various treasury challans.



The audit verified departmental contention.

On the recommendation of audit, **the Committee settled the para.**

**221.            Para No.185 Page 132 of Audit Report for the year 1998-99;  
Recovery due to irregular payment of Rs.145,803/-.**

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**13.3.2004**        Audit had pointed out that payment was made to WAPDA despite the fact that the bills in question were already shown as credit balance against the department.

The department explained that payments of electricity bills were actually made by excluding the amount already shown as credit.

Audit verified that no over-payment was involved.

On the recommendation of audit, **the Committee settled the para.**

**222.            Para No.186 Page 133 of Audit Report for the year 1998-99; Loss to Government revenues due to award of cycle stand contract at lesser rates worth Rs.2,017,649/-.**

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**12.3.2004**        Audit had pointed out that contracts of the Cycle Stand for the years 1996-97 and 1997-98 were awarded at lesser rates than the previous year 1995-96 and that no contract was awarded for the year 1998-1999.

The department explained that no doubt the contract of cycle stand for the year 1995-96 was awarded at the higher bid of Rs.776,000/- but in June 1996, three units of surgery and medicine each and some other words were shifted to Allied Hospital. Resultantly the visiting turn over of patients and their attendants was considerably decreased which adversely affected the auction of cycle stand contract for the year 1996-97, 1997-98 and 1998-99. However, the contracts were fairly awarded by Auction Committee through open auction by making wide publicity. The contention of audit that contracts should have been awarded by taking in 10% increase every year than the last year's rate was not justified in the light of reasons explained above.

On the recommendation of audit, **the Committee settled the para.**

**223.            Para No.187 Pages 133 & 134 of Audit Report for the year 1998-99; Excessive No. of X-Ray films allowed free of cost resulting in a loss to public exchequer worth Rs.403,177/-.**

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**12.3.2004** The department explained that there was no provision in the rules curtailing the competency of Medical Superintendent to go beyond 10% free facility with a view to allowing X-ray films free of cost to the deserving patients. Moreover, Finance Department's letter dated 23.11.1983 related to enhancement in purchase fee and admission fee only, whereas Government had fixed no limit for free X-ray facilities to poor patients.

On the recommendation of audit, **the Committee settled the para.**

**224. Para No.188 Page 134 of Audit Report for the year 1998-99; Recovery of Rs.40,000/- due to non-deduction of trade/professional tax from contractors/suppliers.**

**12.3.2004** The department explained that collection of trade/professional tax was the responsibility of the Excise & Taxation Department and the contractor/supplier himself was responsible to pay tax directly to that Department which was deducted once or twice a year. However, out of 33 firms, 16 firms had produced copies of challans/ certificates in this regard and others were not traceable.

Finance Department observed that it being a provincial tax and it was the duty of every DDO to deduct professional tax at source, if it had not been paid directly by the supplier himself to Excise & Taxation Department.

**The Committee settled the para with the direction that in future DDOs should check whether trade/profession tax had been paid by the contractors/suppliers and do the needful accordingly and that the Department should also supply list of defaulters to the Excise & Taxation Department for recovery/deduction.**

**225. Para No.189 Pages 134 & 135 of Audit Report for the year 1998-99; Irregular excess drawal of TA/DA amounting to Rs.309,456/-**

**6.7.2004** The Audit had pointed out that an amount of Rs.309,456/- was paid to trainers as TA/DA including hotel charges but receipt/cash vouchers were not shown to audit.

The Department explained that 11 nos. of Training of Trainers (TOT) workshops were conducted in District Sialkot from November, 1995 to June 1996 at different places in connection with the Primer Minister's Programme. The duration of each workshop was 10 days. TA/DA to all the participants of the workshops who stayed at their own expenses was paid after pre-audit by DAO Sialkot. The relevant record was available for verification.

The Committee was not satisfied with the reply of the Department and directed it to re-examine the matter and furnish a report to PAC.

The **para was kept pending.**

**226. Para No.190 Page 135 of Audit Report for the year 1998-99; Recovery Due to Unauthorized Expenditure on Account of Misuse of Vehicle Amounting to Rs.353,638/-.**

**11.11.2004** Audit had pointed out that a Pajero purchased by the Department was not utilized for the purpose of prescribed project.

The Department explained that the use of said vehicle by the Minister was in accordance with policy as mentioned in PC-I as the Minister was overall incharge of Health Department who was using the same for sudden visits of nursing schools.

The Committee accepted the departmental explanation and **settled the para.**

**227. Para No.191 Page 136 of Audit Report for the year 1998-99; Retention of Rs.28,991,096/- in an unauthorized commercial account.**

**13.3.2004** The department explained that collection of self finance under A/C No.19279 was opened in pursuance of Finance Department's letter dated 15-12-1991. Moreover, para 62 of similar nature in the audit report 1997-98 was settled with the direction that remaining 40% share should be deposited into Govt. treasury. The department further stated that as per audit observation an inquiry was also held. According to inquiry report no irregularity was found in depositing the endowment amount into a Commercial bank and 40% share (out of actual receipt and profit) upto 30-9-2001 had already been deposited into Govt. treasury.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**10.11.2004** The Department explained that in compliance with PAC directions all the record in support of departmental contention had been produced to Audit for verification on 2.9.2004.

Audit verified the departmental contention in the meeting.

The **para was accordingly settled.**

**228. Para No.192.1 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on account of non receipt/non deposit of different charges from various officials/staff.**

Government A.I.M Hospital, Sialkot – Rs.950,160/-

**6.7.2004** The Department explained that examination of the record had revealed that the actual recoverable amount was Rs.218,433/- which had been realized and deposited into government treasury.

The Committee settled the para subject to verification of relevant record by the **Audit.**

**229. Para No.192.2 Pages 121 & 136 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on account of non receipt/non deposit of different charges from various officials/staff.**

King Edward Medical College, Lahore-Rs.35,684/-.

**12.3.2004** The department explained that entire amount had been recovered and deposited into Government treasury.

On the recommendation of audit, the Committee settled the para.

**230. Para No.192.3 Pages 121 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on Account of Non Receipt/Non Deposit of Different Charges from Various Officials/Staff.**

N/S D.H.Q. Hospital, Kasur - Rs.99,540/-

**13.11.2004** The Department explained that as a result of departmental inquiry, the competent authority has exonerated two officers and major penalty of dismissal from service and recovery of Rs.39,560/- was imposed on Dr. Hamayun Akhtar, Surgeon

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

**231. Para No.192.4 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on Account of Non Receipt/Non Deposit of Different Charges from Various Officials/Staff.**

Nishtar Hospital, Multan-Rs.1,970,301/-.

**10.11.2004** The Department explained that a case for embezzlement of the amount was under process with Anti Corruption Establishment which was being pursued vigorously.

The para was kept pending being under investigation with the ACE.

**232. Para No.192.5 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on Account of Non Receipt/Non Deposit of Different Charges from Various Officials/Staff.**

D.H.Q, Hospital, Sheikhupura-Rs.135,600/-.

**11.11.2004** The para was discussed in the PAC on 11-13 March 2004 and kept pending for consideration of Sub-Committee-VI of PAC-I.

The Department explained that the para had been referred to Sub-Committee-VI of PAC-I in its meeting held on 13.3.2004 but the Sub-Committee could not hold its meeting due to sickness of Mr. Ata Muhammad Khan Manika, MPA (PP-227).

The Committee after due consideration of the matter re-appointed the Sub-Committee-VI comprising the following:-

- i) Mr. Ali Hassan Raza Qazi, MPA (PP-73) Convener
- ii) Pir Kashif Ali Chshti, MPA (PP-231) Member

The Sub-Committee would probe into the matter pertaining to the para and submit its report to PAC-I within 30 days.

The para was kept pending.

**233. Para No.192.6 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on account of non receipt/non deposit of different charges from various officials/staff.**

P. M. C. Faisalabad-Rs.11,255,000/-.

**12.3.2004** The department explained that instant para was made on the basis of a letter written by Principal PMC Faisalabad to MS Allied Hospital, Faisalabad on account of recovery of dues pertaining to utilities which remained under consumption during the period 1986-96. The

matter was under process and relevant record would be shown to audit.

The Committee kept the para pending and directed the Department to produce the relevant record to audit.

**10.11.2004** The Department explained that an inquiry was appointed to probe into the matter and report thereon revealed that no loss to Government had occurred nor anything was recoverable from the contractor.

The contention of the Department was accepted and **para was settled subject to approval of the inquiry report by the competent authority.**

**234. Para No.192.7 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on account of non receipt/non deposit of different charges from various officials/staff.**

P. M. C. Faisalabad-Rs.2,912,969/-.

**12.3.2004** The department explained that Rs.602,516/- and Rs.1,856,286/- had been realized from the residents of the PMC colony and hostel residents respectively on account of electricity charges during the period 1.7.1995 to 30.6.1997. Further, the amount collected from the students of the Medical College was used to purchase electricity items for use in hostels and to bear sui gas and electricity charges in respect of consumption by students. Efforts for effecting balance recovery were in progress.

The Committee conditionally settled the para subject to balance recovery.

**10.11.2004** The Department explained that entire recovery had been effected and verified by Audit.

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

**235. Para No.192.9 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on Account of Non Receipt/Non Deposit of Different Charges from Various Officials/Staff.**

Allied Hospital, (PMC), Faisalabad-Rs.11,081,492/-.

**10.11.2004** The department explained that the Hospital was considered one unit after given



autonomy and its budget was at the disposal of Principal. The hospital had cleared all the liabilities of WAPDA and nothing was outstanding. Moreover electricity connections were given only to the allottees and actual recovery had already been effected and audit had mistakenly calculated the higher tariff rate instead of that given in schedule of WAPDA. It was added that a similar para for the year 1996-97 was settled in the PAC meeting held on 20-2-2002.

**The committee settled the para subject to verification of recovery and relevant record by audit.**

**236. Para No.192.10 Pages 121 & 136 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on account of non receipt/non deposit of different charges from various officials/staff.**

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Services Hospital Lahore-Rs.282,995/-.

**12.3.2004** The department explained that out of the total amount, Rs.78654/- had been recovered. Certain officers/officials had been retired and recovery from them was not possible, therefore, a case for write off of Rs.61668/- due against them would be prepared and got sanctioned by the competent authority. Similarly recovery of Rs.14500/- was again not possible because whereabouts of the employees were not available. Besides that, Rs.17174/- had been miscalculated by audit because Nasreen Akhtar and Mr. Amanat Ali against whom amount was shown due, were not servants of the hospital. Hence recovery could not be realized. The department ensured that recovery of balance amount would be made soon.

The Committee conditionally settled the para subject to balance recovery and verification of relevant record by the audit.

**10.11.2004** The Department stated that balance recovery of Rs.216,341/- and 35,195/- had been effected and deposited into Government Treasury while detailed explanation was given in case of balance recovery which was still under process.

**The Committee settled the para subject to balance recovery and its verification by Audit.**

**237. Para No.192.11 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on account of non receipt/non deposit of different charges from various officials/staff.**

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Para Medical School, Sialkot – Rs.264,000/-

**6.7.2004** The Department stated that there was no provision in the prospectus of the para-



medical school for collection of sui gas charges from the students, therefore, no such charges were collected from them.

The Committee accepted the explanation of the department and the para was settled.

**238. Para No.192.12 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on Account of Non Receipt/Non Deposit of Different Charges from Various Officials/Staff.**

Para Medical School, Sargodha-Rs.61,367/-.

**11.11.2004** The Department explained that as per prospectus of para-medical schools each student residing in Hostel had to pay Rs.20/- per month on account of electricity charges and accordingly a sum of Rs.28,800/- was deposited into Government treasury. Moreover, electricity charges were paid from the head already specified for the purpose. Hence Audit contention regarding recovery was not justified in the light of D.G Health Services letter dated 23.2.1994.

The Committee accepted the departmental reply and settled the para.

**239. Para No.192.13 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on Account of Non Receipt/Non Deposit of Different Charges from Various Officials/Staff.**

Para Medical School, Sargodha-Rs.99,000/-.

**11.11.2004** Audit had pointed out that charges for usage of different services were not recovered from the concerned officials.

The Department explained that the staff of DHQ and T.B Hospital residing in Government residences were exempted from payment of water charges which could be verified from the available record. Moreover, no water supply was provided to residential staff in the Colony of School.

In view of above statement of Administrative Secretary the para was settled.

**240. Para No.192.14 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on account of non receipt/non deposit of different charges from various officials/staff.**

R. G. H. Rawalpindi-Rs.146,400/-.

**13.3.2004** The department explained that recovery of Rs.80400/- had been realized from canteen contractor. Recovery of Rs.66,000/- from PTCL was in progress and efforts were being made to recover the amount. Since there was no written contract with the incharge of PCO, therefore, recovery of Rs.66,000/- would be difficult.

The Committee kept the para pending for balance recovery and observed that if recovery was not possible, the Department should move the case to the competent authority for writing off etc. as deemed fit.

**6.7.2004** The Department explained that recovery of Rs. 80,400/- from the canteen contractor on account of utility charges had since been made good and deposited into Government treasury. An amount of Rs.66,000/- was outstanding against PTCL and the case was being pursued. However, PTCL had left immovable property like building and equipment which was of more value than liability of the PTCL and in case the recovery was not made good, the management, in any case, would not suffer any loss.

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

**241. Para No.192.15 Pages 121, 136 & 137 of Audit Report for the year 1998-99; Loss of Rs.29,370,218/- on Account of Non Receipt/Non Deposit of Different Charges from Various Officials/Staff.**

Aziz Bhatti Shaheed Hospital, Gujrat -Rs.49,600/-.

**11.11.2004** The Department explained that total recovery had been effected and verified by Audit.

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

**242. Para No.193.2 Pages 121 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-**

DHO, Kasur – Rs.23,284/-

**13.11.2004** The Department explained that actual amount of the para was Rs.13,597/- instead of 23,284/- and the Audit had verified the fact out of which Rs.565/- had been recovered and for balance recovery EDO(H) Kasur had been directed to take action against the defaulters under

E&D Rules beside recovery.

The para was conditionally settled subject to balance recovery and verification of record by Audit.

**243. Para No.193.3 Pages 121 & 137 of Audit Report for the year 1998-99; Recovery of Government revenue/departmental charges amounting to Rs.4,284,245/-.**

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Mayo Hospital, Lahore-Rs.463,210/-.

**12.3.2004** Audit had pointed out that test charges etc. were realized from patients but not deposited into Govt. treasury.

The Department explained that collection of charges as pointed out by audit was not based on facts because tests in the lab were conducted in respect of general ward patients for which no charges were fixed by the Government

The Committee accepted the explanation of the department and **settled the para.**

**244. Para No.193.4 Pages 121 & 137 of Audit Report for the year 1998-99; Recovery of Government revenue/departmental charges amounting to Rs.4,284,245/-**

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DHQ Hospital, M.B Din – Rs.207,973/-

**6.7.2004** Audit had pointed out that various charges realized from patients were not deposited into the government treasury.

The Department stated that the draft para consisted of two advance paras. Regarding Advance Para No.1 involving Rs.143,973/-, the Department stated that the amount had been recovered from the concerned officials and deposited into the government treasury. About Advance Para No.3 involving Rs.64,000/-, it was stated that the Department had received X-Ray film charges @Rs. 15/- instead of Rs.55/- which had been deposited into Government treasury.

Audit verified the contention of the department.

On the recommendation of audit, **the Committee settled the para.**

**245. Para No.193.6 Pages 121 & 137 of Audit Report for the year 1998-**

**99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-**

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T.H.Q.Hospital Burewala, Rs.104,220/-

**13.11.2004** The Department explained that amount was miscalculated by Audit and actual recoverable amount was Rs.67,102/- which had been recovered and deposited into Government treasury and there was duplication of Rs.10,171/-. Moreover, action had been taken against the DDO for non-production of record to Audit.

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

**246. Para No.193.7 Pages 121 & 137 of Audit Report for the year 1998-99; Recovery Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-.**

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T.H.Q. Chunian- Rs.43,446/-

**13.11.2004** The Department explained that as a result of departmental inquiry an amount of Rs.22,596/- was recoverable from Mr. Rahat Hussain and Mr. Muhammad Iqbal whereas and concerned DDO had been advised to deduct the outstanding amount from dues of accused drivers and partial recovery had been effected and for amount of Rs.20,850/- it was found that mileage covered related to free Ambulance use allowed by the concerned MS.

The para was conditionally settled subject to balance recovery and its verification by Audit.

**247. Para No.193.8 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-.**

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D.H.O, M.B. Din -Rs.248,497/-.

**11.11.2004** Audit had pointed out that Government revenue, departmental charges such as Ambulance charges were realized from patients but not deposited in Government treasury.

The Department explained that a sum of Rs.5,380/- had been recovered whereas remaining recovery of Rs.100,478/- was not due as the vehicles performed Government duty in the interest of patients and log books/relevant record was available for verification.

The para was conditionally settled subject to recovery of outstanding dues and verification of record by Audit.

**248. Para No.193.9 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of government revenue/departmental charges amounting to Rs.4,284,245/-.**

R. H. C, Shahjamal M/Garh-Rs.12,712/-.

**13.3.2004** The department explained that full recovery to the tune of RS.12,712/- had been realized and deposited into Govt. treasury.

On the recommendation of audit, the Committee settled the para.

**249. Para No.193.10 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of government revenue/departmental charges amounting to Rs.4,284,245/-.**

R. H. C, Khangarh District Muzaffargarh-Rs.12,296/-.

**13.3.2004** The department explained that as per SDAC meeting dated 1.11.1999 the para was settled with the direction to issue a warning to the official concerned which had been complied with.

On the recommendation of audit, the Committee settled the para.

**250. Para No.193.11 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government revenue/departmental charges amounting to Rs.4,284,245/-**

Nishtar Hospital, Multan – Rs.121,562/-

**13.3.2004** The department explained that SDAC in its meeting dated 10-11 September 1999 had settled this para and reduced its amount to Rs.3762/- which had been recovered and deposited into Govt. treasury with directions that the proper record of free cases should be maintained. The department contended that the para had been inadvertently included in the audit report.

The Committee conditionally settled the para subject to verification of relevant record by the audit.

**10.11.2004** The Department explained that in compliance with PAC directions relevant record

had been produced to Audit for verification. However, Audit contented that no progress for recovery of balance amount was shown by the Department.

The Committee directed the Department to effect recovery of balance amount at the earliest.

**The para was kept pending.**

**251. Para No.193.13 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-.**

T.H.Q Hospital, Talagang Chakwal-Rs.77,450/-.

**11.11.2004** The Department explained that para was discussed in the SDAC meeting dated 12.12.1999 and after verification of recovery the same was recommended to be settled. The fact had been verified by Audit.

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

**252. Para No.193.14 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government revenue/departmental charges amounting to Rs.4,284,245/-.**

Lady Aitchison, Hospital, Lahore-Rs.32,995/-.

**12.3.2004** The department explained that entire amount had been realized and deposited into Govt. treasury. Audit verified departmental contention.

On the recommendation of audit, **the Committee settled the para.**

**253. Para No.193.15 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of government revenue/departmental charges amounting to Rs.4,284,245/-.**

T. H. Q, Hospital, Kharian, Gujrat-Rs.24,500/-.

**13.3.2004** The department explained that the para had been settled in SDAC meeting held on 11-12-1999 with observation that all the cases noted in the para pertained to road side accidents.

On the recommendation of audit, **the Committee settled the para.**

**254. Para No.193.17 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government revenue/departmental charges amounting to Rs.4,284,245/-**

THQ Hospital Ahmadpur (Estate), Bahawalpur – Rs.44,290/-

**6.7.2004** The Department explained that the para was settled in SDAC meeting dated 12, 13.11.1999 on the ground that entire recoverable amount had been realized and deposited into the government treasury.

On the recommendation of the audit, **the Committee settled the para.**

**255. Para No.193.19 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of government revenue/departmental charges amounting to Rs.4,284,245/-.**

Services Hospital, Lahore-Rs.119,992/-.

**12.3.2004** The department explained item-wise position regarding full and partial recoveries realized.

The Committee settled the items in which full recovery had been realized subject to verification thereof by audit and kept the remaining part pending till balance recovery.

**10.11.2004** The Department explained that out of total recovery an amount of Rs.22,893/- had already been recovered from the salary of concerned official and efforts were being made for balance recovery.

The **Committee settled the para subject to balance recovery and its verification by Audit.**

**256. Para No.193.20 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-.**

T.H.Q, Hospital, Depalpur, Okara-Rs.129,953/-.

**11.11.2004** The Department explained that an amount of Rs.48,373/- and Rs.54,166/- had been



recovered whereas efforts were being made for recovery of balance amount.

**The para was conditionally settled subject to balance recovery and its verification by Audit.**

**257. Para No.193.21 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-.**

D.H.Q, Hospital, Okara-Rs.393,692/-.

**11.11.2004** The Department explained that all patients admitted in Emergency Ward were exempted from purchase fee vide Health Department letter dated 5.7.1983. Hence the recovery was not justified.

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

**258. Para No.193.22 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-.**

T.H.Q Hospital, Kharian, Gujrat -Rs.20,366/-.

**11.11.2004** The Department explained that total recovery had been effected and verified by Audit.

**The para was settled.**

**259. Para No.193.23 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-.**

D.H.Q, Hospital, Pakpattan-Rs.223,836/-.

**11.11.2004** The Department explained that total recovery had been effected from responsible official whereas in case of private room no embezzlement was noticed and no private or family room was there in DHQ Hospital, Pakpattan. Hence the Audit observation was not justified, however, side rooms of General Hospital were used for serious patients at Rs.40/- per room which was deposited into Government Treasury.

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

**260. Para No.193.24 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-**

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T.H.Q.Hospital Burewala, Vehari Rs.70,486/-

**13.11.2004** The Departmental contention respecting the para had been accepted and verified by Audit and was recommended for settlement.

The said para was accordingly settled.

**261. Para No.193.25 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-**

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T.H.Q Hospital, Mailsi, Vehari Rs.47,834/-

**13.11.2004** The Department explained that the actual amount of para was Rs.36,517.75 instead of Rs.47,833.75 and Audit had verified. It was added that record pertain to balance amount of Rs.18,256.35 had taken away by Mr. Safdar Hussain Shah ex-JC and the case to that effect was with the ACE.

The para was settled without prejudice to the court decision.

**262. Para No.193.26 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of government revenue/departmental charges amounting to Rs.4,284,245/-.**

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D. H. Q, Hospital Lodhran-Rs.33,152/-.

**13.3.2004** The department explained that actual recoverable amount was Rs.25362/- instead of 33152/- which had been recovered and verified by audit.

On the recommendation of audit, the Committee settled the para.

**263. Para No.193.27 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government revenue/departmental charges amounting to Rs.4,284,245/-**

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DHQ Hospital, Layyah – Rs.32,829/-

**6.7.2004** The Department explained that the total recovery involved in the aforesaid three paras had been realized and deposited into the government treasury.

On the verification and recommendation of audit, **the Committee settled the para.**

**264. Para No.193.28 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-.**

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D.H.Q, Hospital, Sargodha-Rs.471,500/-.

**11.11.2004** The Department explained that Audit had wrongly calculated the recoverable amount which actually came to Rs.140,410/-. Out of stated amount recovery of Rs.63,185/- had already been effected whereas balance amount of Rs.77,225/- was 35% share of doctors and 20% share of paramedical staff. As such no further recovery was required.

The **Committee conditionally settled the para subject to verification of record by Audit.**

**265. Para No.193.32 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government revenue/departmental charges amounting to Rs.4,284,245/-**

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B.V Hospital Bahawalpur – Rs.20,915/-

**13.3.2004** The department explained that recoverable amount was Rs.19,512/- which had been realized and deposited into Govt. treasury.

The Committee conditionally settled the para subject to verification of recovery by audit.

**6.7.2004** The Department explained that the matter was thrashed out and the recoverable amount came to Rs. 19,512/- which had been realized and deposited into government treasury.

The Committee settled the para subject to verification of the record by Audit.

**10.11.2004** The Department explained that total recovery of Rs.20,915/- had been effected and deposited into Government treasury. The treasury challans signed by the District Accounts Officer had also been verified by the Audit.

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

**266. Para No.193.33 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-.**

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Holy Family Hospital, Rawalpindi-Rs.257,982/-.

**11.11.2004** Audit had pointed out that departmental charges on account of purchase fee, ambulance charges, X-ray fee and other tax charges were collected from patients but not deposited into Government Treasury.

The Department explained that the para comprised two advance paras, in case of A.P. No.10, Purchase fee was exempted to all accidental emergency, T.B and Cancer patients in Punjab Government Hospitals in view of the letter dated 18.8.1997. In case of A.P. No.12 the scrutiny of log books revealed that Ambulance fee had been charged from patients and deposited into Government Treasury.

Audit stated that facts had been verified.

The para was accordingly settled.

**267. Para No.193.34 Pages 122 & 137 of Audit Report for the year 1998-99; Recovery of Government Revenue/Departmental Charges Amounting to Rs.4,284,245/-.**

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D.H.Q. Kasur Rs.129,081/-

**13.11.2004** The Department explained that the para comprised two advance paras, in case of AP No.1 recovery amounting to Rs.1,858/- had been effected and deposited into Government treasury and efforts were being made to recover the balance amount but the responsible dispenser namely Mr. Ghulam Sarwar had been murdered and balance recovery was quite difficult. In case of AP No.2 recovery amounting to Rs.9,161/- had been effected and an inquiry into the matter was under process.

The Committee directed the department to effect recovery at the earliest and if required move a case for write off in respect of deceased person.

The para was kept pending.

**268. Para No.194.1 Pages 123, 137 & 138 of Audit Report for the year 1998-99; Recovery of Rs.144,360/- due to non-deduction of income tax.**

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DHQ Hospital, Layyah – Rs.24,106/-

**6.7.2004** The Department explained that the total recovery involved in the aforesaid three paras had been realized and deposited into the government treasury.

On the verification and recommendation of audit, **the Committee settled the para.**

**269. Para No.194.2 Pages 123, 137 & 138 of Audit Report for the year 1998-99; Recovery of Rs.144,360/- Due to Non-Deduction of Income Tax.**

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D.H.Q, Okara – Rs.52,882/-

**11.11.2004** The Department explained that a sum of Rs.34,732/- had already been recovered and M/S Small Industries Corporation had provided a certificate that income tax on total supply had been paid by them. As such total amount had been recovered/adjusted.

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

**270. Para No.194.3 Pages 123, 137 & 138 of Audit Report for the year 1998-99; Recovery of Rs.144,360/- Due to Non-Deduction of Income Tax.**

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Secretary to Government of the Punjab, Health Department-Rs.36,131/-.

**11.11.2004** The Department explained that total amount of Rs.36,131/- had been recovered from various firms and deposited into Government treasury which had also been verified by Audit.

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

**271. Para No.194.4 Pages 123, 137 & 138 of Audit Report for the year 1998-99; Recovery of Rs.144,360/- Due to Non-Deduction of Income Tax.**

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R.H.C, Qadirabad, D.G. Khan-Rs.14,909/-.

**11.11.2004** The Department explained that total recovery amounting to Rs.14,909/- had been effected on account of income tax.

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

**272. Para No.195.1 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- Due to Non Deposit/Less Deposit of Government Dues from Contractors.**

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D.H.Q. Hospital Kasur Rs.33,250/-

**13.11.2004** Audit had pointed out Government dues from the contractors were either not realized or not deposited in Government treasury.

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

The Committee directed that criminal cases be got registered against the culprits for realizing for Government loss.

**The para was kept pending.**

**273. Para No.195.2 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- due to non deposit/less deposit of Government dues from contractors.**

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D. H. Q, Hospital, Gujranwala-Rs.159,115/-.

**13.3.2004** The department explained that an amount of Rs.159,115/- was outstanding against two contractors. Total recoverable amount outstanding against Mr. Muhammad Afzal for the contract of cycle stand was Rs.140,455/- out of which Rs.30,000/- had been recovered while entire recovery of Rs.18,661/- had been effected from Mr. Zaheer Babar on account of Suigas charges of canteen.

The Committee kept the para pending and directed the department to realize balance recovery as arrears of land revenue.

**11.11.2004** The Department explained that District Coordination Officer, Gujranwala and EDO (Rev), Gujranwala had been requested for recovery from the contractor of Cycle Stand as arrears of land revenue and several reminders had also been issued for the purpose.

The Committee directed the Department to expedite efforts for recovery at the earliest.

The para was kept pending.

**274. Para No.195.3 Pages & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- due to non deposit/less deposit of Government dues from contractors.**

Lady Aitchison, Hospital, Lahore-Rs.52,000/-.

**12.3.2004** The department explained that total amount outstanding against 2 contractors on account of contract money of utility charges had been recovered and deposited into Govt. treasury.

The Committee conditionally settled the para subject to verification of recovery/record by the audit.

**10.11.2004** The matter pertaining to subject para was pending in the court and decision thereon was still awaited.

The Committee directed the department to expedite its efforts for recovery from accused contractors as arrears of land revenue.

The matter being sub-judice, para was kept pending.

**275. Para No.195.4 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- Due to Non Deposit/Less Deposit of Government Dues from Contractors.**

Allied Hospital, (PMC), Faisalabad-Rs.451,452/-.

**10.11.2004** The department explained that payment was made to WAPDA at source and the bill paid by the hospital was entered in the relevant record and credit balance was in favour of Hospital which was adjusted in three months. As such no loss to government had taken place.

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

**276. Para No.195.5 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- due to non deposit/less deposit of government dues from contractors.**

Mayo Hospital, Lahore-Rs.118,000/-.



**12.3.2004** The department explained that total recovery had been effected and deposited into Govt. treasury. Audit verified departmental contention.

On the recommendation of audit, the **Committee settled the para.**

**277. Para No.195.6 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- Due to Non Deposit/Less Deposit of Government Dues from Contractors.**

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D.H.Q, Hospital, Pakpattan-Rs.77,000/-.

**11.11.2004** The para was discussed in the PAC on 11-13 March 2004 and kept pending for consideration of Sub-Committee-VI of PAC-I.

The Department explained that the para had been referred to Sub-Committee-VI of PAC-I in its meeting held on 13.3.2004 but the Sub-Committee could not hold its meeting due to sickness of Mr. Ata Muhammad Khan Manika, MPA (PP-227).

The Committee after due consideration of the matter re-appointed the Sub-Committee-VI comprising the following:-

- i) Mr. Ali Hassan Raza Qazi, MPA (PP-73) Convener
- ii) Pir Kashif Ali Chshti, MPA (PP-231) Member

The Sub-Committee would probe into the matter pertaining to the para and submit its report to PAC-I within 30 days.

**The para was kept pending.**

**278. Para No.195.7 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- due to non deposit/less deposit of Government dues from contractors.**

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DHQ Hospital, Layyah – Rs.62,910/-

**6.7.2004** The Department explained that the total recovery involved in the aforesaid three paras had been realized and deposited into the government treasury.

On the verification and recommendation of audit, **the Committee settled the para.**

**279. Para No.195.8 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- due to non deposit/less deposit of Government dues from contractors.**

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D. H. Q, Hospital, Faisalabad-Rs.399,480/-.

**12.3.2004** The department stated that dues were outstanding against M/S Abdul Majeed and Tariq. Efforts were being made to recover them as arrears of land revenue and the case had been referred to DO( R ) Faisalabad for recovery.

The Committee conditionally settled the para subject to recovery and directed the department to pursue the matter.

**10.11.2004** The Department explained that District Officer (Rev), Faisalabad had been requested for recovery of outstanding dues from the defaulters and several reminders had also been sent for the purpose. Moreover, District Coordination Officer, Faisalabad was also requested to expedite the matter.

**The para was kept pending for recovery of outstanding dues.**

**280. Para No.195.9 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- due to non deposit/less deposit of Government dues from contractors.**

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Fatima Jinnah Medical College, Lahore-Rs.55,549/-.

**12.3.2004** The department explained that out of total amount, Rs.26,060/- had been recovered. Efforts were underway for effecting balance recovery.

The Committee kept the para pending and directed the department to refer the case to DCO concerned for recovery of balance amount as arrears of Land Revenue.

**10.11.2004** The Department explained that in compliance with PAC directions efforts were being made to recover the outstanding amount from defaulters and a case had been referred to DCO Lahore for recovery as arrears of land revenue. However, partial recovery had been effected.

The Committee directed the Department to pursue the case with revenue authorities vigorously.

The para was kept pending.

**281. Para No.195.10 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- due to non deposit/less deposit of Government dues from contractors.**

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Dental College, Lahore – Rs.156,000/-

**6.7.2004** The Department explained that in an inquiry held into the matter, it was recommended that the canteen was producing welfare services to resident students by providing tuck shop items at cheaper rates and hence there was no commercial use of these shops situated in the hostel.

The Committee observed that a welfare facility had been provided to the students. With this observation, the Committee accepted the explanation of the Department and **settled the para.**

**282. Para No.195.11 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- due to non deposit/less deposit of government dues from contractors.**

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King Edward Medical College, Lahore-Rs.107,554/-.

**12.3.2004** The department explained that the entire amount had been recovered and deposited into Govt. treasury.

The Committee conditionally settled the para subject to verification of recovery.

**10.11.2004** The Department explained that in compliance with PAC directions entire recovery had been effected and verified by Audit.

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

**283. Para No.195.12 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- due to non deposit/less deposit of Government dues from contractors.**

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Sheikh Zayed Hospital, Rahim Yar Khan-377,454/-.

**13.3.2004** The department explained that the matter was sub-judice in the High Court.

The Committee kept the para pending being sub-judice.

**10.11.2004** The Department explained that the matter was sub-judice with the court and the decision was still awaited.

The para was kept pending being sub-judice.

**284. Para No.195.13 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- due to non deposit/less deposit of Government dues from contractors.**

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Punjab Medical College, Faisalabad - Rs.210,600/-

**12.3.2004** The department explained that a shop established as a general store to provide day to day house hold items to residents of the colony was auctioned @ Rs.4,050/- p.m. for one year. Meanwhile, the contractor moved an application demanding Rs.30,227/- on the plea of constructing a permanent store. Later, he filed a civil suit and got a stay order. Notwithstanding this, the contractor had deposited an amount of Rs.117,450/-.

The para being sub-judice, was kept pending by the Committee and department was directed to pursue the Court Case.

**10.11.2004** The Department explained that partial recovery had been effected while the case for balance recovery was sub-judice.

The para was kept pending being sub-judice.

**285. Para No.195.14 Pages 123 & 138 of Audit Report for the year 1998-99; Loss of Rs.2,493,364/- Due to Non Deposit/Less Deposit of Government Dues from Contractors.**

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D.H.Q, Hospital, Sheikhupura-Rs.233,000/-.

**11.11.2004** The Department explained that partial recovery had been effected from defaulters and the then Medical Superintendent and a Senior Clerk had been dismissed from service. It was added that cases in this connection were under trial in the court of Special Judge Anti Corruption Punjab, Lahore.

The issue involved in the para being sub-judice the para was kept pending.

**286. Para No.196.1 Pages 123 & 139 of Audit Report for the year 1998-99; Irregular drawal of Rs.1,494,591/- on account of non-performance of duty in second shift.**

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Government Sardar Begum Hospital, Sialkot – Rs.334,143/-

**6.7.2004** The Department explained that as per the findings of an inquiry held into the matter, the doctors were performing their duties in the second shift in rotation under proper orders issued by M.S and that there was no loss to Government exchequer.

On the request of the department, **the para was kept pending for production of inquiry report/relevant record to audit for verification.**

**287. Para No.196.3 Pages 123 & 139 of Audit Report for the year 1998-99; Irregular Drawal of Rs.1,494,591/- on Account of Non-Performance of Duty in Second Shift.**

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T.H.Q, Hospital, Pasrur, Sialkot-Rs.610,332/-.

**11.11.2004** The Department explained that the para was discussed in the SDAC in 1999 and it was verified that the lower staff and doctors performed duties satisfactorily according to their duty roster.

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

**288. Para No.196.4 Pages 123 & 139 of Audit Report for the year 1998-99; Irregular drawal of Rs.1,494,591/- on account of non-performance of duty in second shift.**

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Government A.I.M Hospital, Sialkot – Rs.290,844/-

**6.7.2004** The Department explained that all the doctors on the strength of hospital had performed their duties as per the duty roster issued for the purpose. However, the Department requested the Committee to keep the para pending for further examination.

**The para was accordingly kept pending.**

**289. Para No.198 Pages 141 & 142 of Audit Report for the year 1998-99; Non Production of Record for Rs.1,522,587/-.**

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**11.11.2004** The Department explained that the officers/officials at site had reported that all the record was available but the Audit Officer did not verify it as he visited their office for very short

time. However, the DDO had been warned to be careful in future.

The Committee directed the Department to get the relevant record verified by Audit.

The para was kept pending.

**290.            Para No.200 Pages 142 & 143 of Audit Report for the year 1998-99;  
Non-production of record for Rs.465,774/-.**

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**13.3.2004**        The Department explaining the position about the above para stated that as a result of inquiry held, major penalty of dismissal from service with recoveries was imposed on Dr. Mukhtar Ahmad, ex-M.O and Muhammad Qadir, Junior Clerk who later absconded with the record. Dr. Mukhtar Ahmad was reinstated into service by PST with the direction that inquiry afresh be conducted. Therefore, Dr. Mukhtar had again been charge sheeted.

Dr. Mukhtar Ahmad (Ex-MO)/the then DDO, appeared before the Committee and explained his position interalia stating that after his transfer he came to know that the Junior Clerk Mr. Muhammad Qadir had taken away the pay of the staff along with the relevant record. He further stated that he had since been reinstated into service by PST.

The Committee directed the above para be clubbed together and fresh inquiry proceedings be finalized at the earliest under intimation to PAC.

The aforesaid para was kept pending.

**11.11.2004**        The Department explained that relevant record i.e. dismissal order of Health Department, judgment of PST, re-instatement orders of Dr. Mukhtar Ahmed was available for verification however, the inquiry proceedings could not be finalized due to frequent transfer of EDO (Health), Multan. However, the matter was sub-judice in the court.

The para was kept pending.

**291.            Para No.201 Page 143 of Audit Report for the year 1998-99; Non-  
Production of Record valuing Rs.4,557,055/-**

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**13.11.2004**        The Department explained that a case had been registered with ACE against the accused officials for recovery of relevant record who was absconding and dismissed from service by the competent authority. However, some record pertaining to subject para had been traced out.

The Committee directed that the record which had been traced out may be shown to Audit for verification and to pursue the case with ACE.



The para was kept pending.

**292. Para No.202 Pages 143 & 144 of Audit Report for the year 1998-99; Actual payee receipts amounting to Rs.1,268,756/- not produced to audit.**

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**6.7.2004** Audit had pointed out that amounts were drawn from treasury and paid to WAPDA on account of electricity charges but actual payee receipts were not obtained.

The Department explained that in compliance with the directions of SDAC meeting dated 28.12.1999, a probe was made and as per its findings a sum of Rs.269,700/- was wrongly added in the code relating to electricity charges whereas the bill pertained to code 59800-Bedding and Clothing. The rest of the amount viz Rs.999,056/- was paid to WAPDA. Thus no loss had occurred to Government.

During the meeting the audit verified the departmental contention.

On the recommendation of audit, **the Committee settled the para.**

**293. Para No.205 Page 145 of Audit Report for the year 1998-99; Non-Production of Record of Government Realization on Account of Electricity Valuing Rs.1,242,029/-.**

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**10.11.2004** The Department explained that statement of all the receipts of accounts in question was available and electricity bills were paid regularly from the said account. An inquiry was also conducted into the matter which revealed that arrangements were made to facilitate the collection of WAPDA bills. The electric supply was received in bulk but individual consumers were supplied separate meters and they deposited the monthly bills in the said account. It was added that recently the consumers paid the bills directly to WAPDA.

Contention of the department was accepted and **the para was settled.**

**294. Para No.206 Page 146 of Audit Report for the year 1998-99; Non-Production Of Payment Receipts Amounting To Rs.2,459,696/-**

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**13.11.2004** The Departmental contention respecting the para had been accepted and verified by Audit and was recommended for settlement.

The said **para was accordingly settled.**



**295.            Para No.207 Pages 146 & 147 of Audit Report for the year 1998-99; Non availability of record regarding purchase of machinery & equipment worth Rs.748,730/-.**

**12.3.2004**        The department explained that relevant record pertaining to purchase of machinery and equipment was available for verification.

On the recommendation of audit, **the Committee settled the para.**

**296.            Para No.209 Pages 147 & 148 of Audit Report for the year 1998-99; Non-Verification of Stock/Store Worth Rs.631,126/-.**

**11.11.2004**    Audit had pointed out that funds were drawn from Government treasury for purchase of instruments but no record was available during physical verification. The costly instruments had reportedly been stolen and concerned officials were in police custody.

The Department explained that store articles had been actually procured and properly accounted for and no item was ever stolen as available from available record.

However, Store Keeper and Cashier were in police custody due to the matter pertaining to D.P. No.19.

The Committee accepted the departmental reply and **settled the para.**

**297.            Para No.210 Page 148 of Audit Report for the year 1998-99; Non production of stationery/printing record valuing Rs.854,869/-.**

**12.3.2004**        The department explained that relevant record regarding receipt & consumption of stationery worth Rs.152,546/- and printing worth Rs.702323/- was available for verification. A sum of Rs.447449/- was due against Govt. printing press, which would be recovered within one month.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**10.11.2004**    The Department explained that consumption accounts had been produced to Audit for verification and the case for collection of remaining printing material was being pursued vigorously with Government printing press. However, the Administrative Secretary stated that latest position of the matter would be submitted on 11.11.2004.

On 11.11.2004 the Department explained that it was a matter of book transfer between two Government organization and requested for settlement of the para.

The explanation of the Administrative Secretary was accepted and **the para was settled.**

The Committee examined the Accounts of the Home Department in its meetings held on 6.5.2004, 7.5.2004, 8.5.2004, 13.10.2004, 14.10.2004, 15.10.2004, 13.4.2005 & 14.4.2005 and made the following recommendations:-

### **Audit Paras (Civil) for the year 1998-99**

- 1.            Para No.1 Page 11 of Audit Report for the year 1998-99;  
Embezzlement of Rs.3,537,922/-.**
- 2.            Para No.2 Page 11 & 12 of Audit Report for the year 1998-99;  
Fraudulent Drawal And Un-Authorised Expenditure of Rs.8,287,365/- Over and Above the Sanctioned Budget.**

**7.5.2004**        Audit had pointed out the likely embezzlement and fraudulent drawal of Government money.

The Department explaining the position about para No.1, stated that as per the findings of the inquiry conducted by SP, Range Crime, Gujranwala, neither any overpayment to any of the claimants nor misappropriation were found.

About para No.2, it was stated that the excess amount was drawn by the defaulter officials on the request of SHOs for smooth working of Police Stations with the expectation that the same would be adjusted through the demand for additional funds in 2<sup>nd</sup> statement of excess and surrender. However, the additional funds were not allocated. The District Accounts Officer Sialkot was also held responsible for not exercising vigilance during pre-audit process. The major penalty of reduction of one stage in time scale was imposed upon the three accused officials. It was added that a case for regularization had been moved to the competent forum.

The Committee was not satisfied with the reply of the Department and directed that a departmental Committee headed by Additional Home Secretary and DIG of Police of the Range concerned, Mr. Rab Nawaz (Deputy Secretary Monitoring) Finance Department and Director or Deputy Director Audit as Members, should hold a fresh inquiry into the matter, fix responsibility against the officials concerned/DDO etc. under intimation to PAC.

The para No. 1 & 2 were kept pending.

**14.10.2004**    The Department explained that an Inquiry Committee headed by Additional Secretary, Home Department was holding inquiry into the matter and report was still awaited.

The Committee directed that the inquiry be conducted at the earliest and presented to the Committee on 1.11.2004.

The paras were kept pending.

**1.11.2004** Department explained that in compliance with the directions of PAC-I dated 14 October 2004, Addl. Secretary, Home Department submitted inquiry report regarding embezzlement and misappropriation of public money as pointed out by Audit.

The minutes will be communicated later on.

**14.4.2005** The Department explained that in compliance with the direction of PAC-I dated 14 October 2004, Additional, Secretary, Home Department submitted inquiry report of the inquiry committee headed by Additional Secretary Home Department regarding embezzlement and misappropriation of public money as pointed out by Audit.

The paras were kept pending with the direction that D.D.O & Principal Accounting Officer of the department will explain the update status of the case in the next meeting.

**10.11.2005** The department explained that the concerned Police Officers were present to plead their case as they were not satisfied with the proceeding of inquiry committee.

The department was directed to give an opportunity to defend by themselves and their para wise comments according to inquiry report may be submitted to the PAC Secretariat by 2<sup>nd</sup> December 2005 and **paras were kept pending**.

### **3. Para No.3 Pages 12 of Audit Report for the year 1998-99; Misappropriation of Rs.99,000/-.**

**8.5.2004** Audit had pointed out that a sum of Rs.99000/- was incurred without obtaining sanction of the competent authority during the month of Moharram on emergency duties and paid to the incharges of different police stations without obtaining expenditure accounts and vouchers.

The Department explained that on receipt of sanction from the Government, the amount was placed at the disposal of various police stations for disbursement to the police personnel performing law & order duties during Moharram. The details of expenditure and acquaintance rolls were available for verification.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**15.10.2004** The Department explained that under the rules the Superintendent of Police, being an officer of category-I was competent for the sanction.

Audit accepted the departmental contention and verified the sanction of Rs.99,000/-

The para was accordingly settled.

**4. Para No.4 Pages 12 & 13 of Audit Report for the year 1998-99; Loss Due To Pilferage of Arms & Ammunition.**

**8.5.2004** The Department explained that the arms and ammunition which were used in police encounters had been snatched/taken away by the criminals. However, three snatched weapons were later recovered.

The Committee settled the para subject to write off sanction about the loss by the Finance Department.

**15.10.2004** The Department explained that the case for write off sanction of the snatched weapons was still under process for ascertaining the price of G-III Rifle during the year 1997-98.

The para was kept pending to be discussed on receipt of write off sanction.

**14.4.2005** The Department explained write off cases had been sent to Finance Department and decisions were awaited.

The Department was directed to pursue the write off case vigorously for early finalization and **para was kept pending.**

**5. Para No.5 Page 13 of Audit Report for the year 1998-99; Embezzlement of Rs.49,506/-.**

**8.5.2004** Audit had pointed out that amounts were received but neither taken in cash book nor the record about expenditure incurred was produced for verification.

The Department explained that the amount received as sale proceeds of auctioned articles was misappropriated by the then accountant Mr. Nazir Ahmad Najam who committed suicide on 11-3-1999. A case was got registered against him. Besides, the case for getting the amount written off by Finance Department was under process.

During the course of meeting the Administrative Department pointed out that total amount involved was Rs.46 lacs and in this regard a fact finding inquiry at the level of CPO had been held with reference to involvement of some higher officers. The Administrative department suggested that further probe into the matter was required.

Finance Department observed that the Department should hold an inquiry into the matter.

The Committee took serious notice of the matter and observed that the Accountant who later committed suicide was not likely to be single handedly involved. The Committee directed that the Home Department being the administrative Department should refer this case to the Services & General Administration Department for holding necessary inquiry which should be completed within three months under intimation to PAC.

The para was kept pending.

**15.10.2004** The Department explained that as per PAC's directions the case had been referred to S&GAD for holding necessary inquiry. The findings of the inquiry were still awaited from the S&GAD.

The Committee directed that the S&GAD may be requested for early finalization of the inquiry and the para was kept pending.

**14.4.2005** The Department explained write off case had been sent to Finance Department and decisions were awaited.

The Department was directed to pursue the write off case vigorously for early finalization and **para was kept pending.**

#### **6. Para No.6 Pages 13 & 14 of Audit Report for the year 1998-99; Misappropriation of dietary articles worth Rs.58,048/-.**

**8.5.2004** The Department explained that matter of less receipt of dietary articles occurred during the posting of Mr. Hasnain Kazmi (Late) the then Superintendent Jail, who had since died. Recovery of Rs.21780/- had been effected and entries of the remaining articles were available in the stock register.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**14.10.2004** The Department explained that in compliance with PAC directions given in its meeting held on 6-8 May 2004, relevant record had been produced to audit and recovery amounting to Rs.21,780/- had been effected and entries of remaining articles were also available in the stock register. However, Audit desired to see record.

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

**13.4.2005** The Department explained that efforts were being made to effect recovery.

The Department was directed to expedite balance recovery and **para was settled subject to verification of relevant record by Audit.**

**7. Para No.7 Page 14 of Audit Report for the year 1998-99;  
Embezzlement Of Rs.73,609/-.**

**7.5.2004** Audit had pointed out that the amount was drawn but was not deposited into bank on account of telephone bills and in fact was embezzled.

The Department explained that the said amount was deposited into ABL Bhakkar on account of telephone bills. Certificate of payment issued by bank and copy of contingent bill were available for verification.

The Committee accepted the explanation of the department and **settled the para.**

**8. Para No.9 Page 15 of Audit Report for the year 1998-99;  
Misappropriation of POL and Spare Parts and Recovery of Rs.60,591/- As a Result Thereof.**

**7.5.2004** The Department explained that the para had been settled by DAC in its meeting held on 24/25-9-1999. Moreover, adjustment/accountal of POL and spare parts worth Rs.60,591/- had been verified by audit.

On the recommendation of audit, **the Committee settled the para.**

**9. Para No.10.1 Pages 8, 15 & 16 of Audit Report for the year 1998-99;  
Misappropriation of Rs.216,100/- Due To Un-justified Disbursement of Rewards.**

Senior Superintendent of Police, Gujrat – Rs.131,400/-

**7.5.2004** The Department explained that cash reward was paid to public persons for providing useful information/assistance to the local police in detection of crime. The original sanction order, detailed particulars of public persons and actual payee receipts containing signatures of the recipients duly verified by disbursing officers were available for verification.

Finance Department suggested that necessary measures for ensuring transparency in such cases should be ensured.



On the recommendation of audit, the **Committee settled the para.**

**10. Para No.10.2.**

S. P. Khanewal-Rs.33,700/-.

**14.4.2005** The Audit observed that the Department had contented that no sufficient funds were allocated under the head of account. “65400-cash reward” and payments were made out of detailed “object 59999-others”

The Department was directed to get the irregular expenditure regularized from the competent authority and **para was kept pending.**

**11. Para No.10.3.**

Superintendent of Police, Narowal – Rs.61,000/-

**7.5.2004** The Department explained that the said amount was used to pay cash rewards to public persons for providing useful/secret information for the arrest of criminals. The identification of recipients was also available.

During the course of the meeting, the audit recommended the para for settlement.

The **Committee settled the para accordingly.**

**12. Para No.11 Page 16 of Audit Report for the year 1998-99;  
Fraudulent Drawal of T.A Amounting To Rs.758,115/-**

**7.5.2004** Audit had pointed out that there was likelihood of embezzlement because T.A. bills were not prepared in accordance with the “Rozenamcha” entries and that more than one year old claims were got passed.

The Department explained that the amount drawn was properly disbursed and signature of the recipients were obtained.

On the recommendation of audit, the **Committee settled the para.**

**13. Para No.12 Pages 16 & 17 of Audit Report for the year 1998-99;  
Misappropriation of POL worth Rs.20,109/- Recovery Thereof.**

**7.5.2004** The Department explained that full recovery had been effected.

The Committee conditionally settled the para subject to verification of recovery by audit.

**14.10.2004** The Department explained that in compliance with PAC directions given in its meeting held on 6-8 May 2004, complete recovery had been effected and deposited into government treasury.

On verification and recommendation of audit, **the para was settled.**

**14.            Para No.13.1 Pages 9 & 17 of Audit Report for the year 1998-99; Recovery of Rs.77,037/- Due to Misappropriation of Stationery Articles by Non Accountal or Less Accountal and Consumption.**

S.S.P. Lahore-Rs.43,988/-.

**15.10.2004** Audit had pointed out that articles worth Rs.43,988/- were either not accounted for or less accounted for in stock register.

Administrative Department stated that the shortage had since been made good from the concerned firm and accordingly entered in the Stock Register.

The Committee directed the Department to get the record verified from the Audit and the para was kept pending.

**14.4.2005** The Department explained that the requisite record had been verified by Audit.

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

**15.            Para No.13.2.**

S.S.P. Lahore-Rs.33,049/-.

**15.10.2004** Audit had pointed out that stationary items worth Rs.33,049/- were either not accounted for or less accounted for in the stock register.

The Department stated that necessary stock entries had since been made in the stock register and got verified by Audit.

Audit verified the departmental contention and **the para was settled.**

**16.            Para No.14.2 Pages 9 & 17 of Audit Report for the year 1998-99;**

## **Misappropriation/Embezzlement of Rs.42,320,051/-.**

District Jail Bahawalnagar-Rs.48,245/-.

**8.5.2004** Audit had pointed out that neither stock entries of purchased items were found in relevant record nor stores were available in the stock.

The Department explained that necessary entries had been made in the uniform register.

Audit stated that departmental contention stood verified from record viz stock register etc.

The Committee accepted the explanation of the department and **settled the para.**

### **17. Para No.14.3.**

Superintendent Central Jail Bahawalnagar – Rs.33,744/-

**8.5.2004** Audit had pointed out that articles worth Rs.33744/- were purchased but neither stock entries nor the stock were available.

The Department explained that relevant record for purchase of miscellaneous articles was available for verification by audit.

On the recommendation of audit, the **Committee settled the para.**

### **18. Para No.14.4.**

Commandant Constabulary F/Abad – Rs.4,237,650/-

**7.5.2004** Audit had pointed out that expenditure to the stated amount was incurred on purchase of various items but no stock receipts and issue entries were made which indicated doubtful expenditure/misappropriation.

The Department explained that the purchases were made centrally by the CPO Lahore for the entire province of Punjab and the stock entries were also made at central level, whereas the payments were made by the respective District Police Officers/DDOs within their competence. All the relevant record/actual payees receipts were available in CPO which could be verified by audit.

Finance Department observed that special dispensation had been allowed to the Police Department to make purchase at central level and payment was to be made at District level

as per allocation of funds to District SPs by CPO. However, the District SPs/DDOs should also maintain the stock register for the items purchased to ensure transparency.

The Administrative Department suggested that a fact finding inquiry should be held about this case.

The Committee appointed one member Sub Committee comprising Mr. Aftab Ahmad Khan, MPA to inquire into the matter whether purchases made at central level in Police department and payments made at District level was in accordance with the rules or otherwise and also to look into as to why relevant entries were not recorded in the stock registers in the office of the Senior Superintendent of Police Rawalpindi/ Commandant P.C Farooqabad.

The para was kept pending.

**15.10.2004** The report of the Sub-Committee was still awaited.

The para was kept pending for report by the Sub-Committee.

**15.3.2005** The Sub-Committee was informed by the Department that the Governor of West Pakistan vide his order dated 2-12-1969, in relaxation of the normal purchase procedure had authorized the Police Department to make their purchases of Clothing and Equipment. The Police Department was further empowered to make necessary delegation of powers in this behalf to their officer, as deemed fit by them. It was added that IGP had constituted a Purchase Committee-II, comprising of three DIG and AIG/Logistics for the purchase of Uniform Articles. The said items had been purchased after completing codal formalities.

The Audit observed that purchase procedure was not properly observed because the Police Department had allowed the purchases at Central level and thereafter made payments at Districts level which was against the financial propriety. The Finance Department endorsed the view point of the Audit point.

The Department further explained that this practice had been discontinued and payments for central purchases were being made at central level.

The Sub Committee observed that there was no misappropriation except a procedural irregularity. Therefore, the Sub Committee recommended to settle the para subject to regularization of the irregularity from the Competent Authority.

**14.4.2005** The Police Department explained that the said para had been considered thoroughly by the Sub Committee and observed that there was no misappropriation except a financial irregularity. Therefore, the Sub Committee recommended to settle the para subject to

regularization of the irregularity from the Competent Authority.

On the recommendation of the Sub Committee, **the para was settled subject to regularization of the irregularity from the Competent Authority.**

**19.           Para No.14.6.**

Superintendent of Police, Attock – Rs.123,627/-

**7.5.2004**        Audit had pointed out that there was purchase of various articles but neither the stock entries were made in the relevant record nor the stores were available in the stock.

The Department explained that all entries in the relevant stock registers had been made which could be verified by audit.

Audit verified the Departmental contention.

On the recommendation of audit, **the Committee settled the para.**

**20.           Para No.14.8**

S. P. Rahim Yar Khan-Rs.425,450/-.

**14.4.2005**        The Audit had pointed out that neither the stock entries were made in the relevant record nor the stores were available in the stock.

The Department explained that the matter was enquired by the DSP/HQ who concluded that all the missing items were found available in the stock of miscellaneous store.

The Department was directed to get the inquiry report vetted from the SP/ R.Y. Khan and **the para was settled subject to verification of relevant record by Audit.**

**21.           Para No.14.9.**

Superintendent of Police, Rajanpur – Rs.19,700/-

**7.5.2004**        Audit had pointed out that stock entries of succeeding years and actual payee receipts of purchased articles were not available.

The Department explained that stock entries of store and actual payee receipts were available for verification.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**14.10.2004** The Department explained that as per directions of the PAC given in its meeting held on 6-8 May 2004, the relevant record had been shown and verified by the Audit.

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

**22.           Para No.14.10.**

Superintendent of Police, Gujrat – Rs.100,510/-

**7.5.2004** Audit had pointed out that entries in respect of purchase of various items were not made in the relevant register nor the items were available in the store.

The Department explained that relevant record i.e. entries in stock register was available for verification.

On the recommendation of audit, **the Committee settled the para.**

**23.           Para No.14.11.**

S. P. Traffic Multan-Rs.28,023/-.

**14.4.2005** The Audit had pointed out that neither the stock entries were made in the relevant record nor the stores were available in the stock.

The Audit observed stock entries were available in the stock register and the stock had been shown consumed at once. No indent, acknowledgment and consumption account was shown.

The Department was directed to produce the requisite record to Audit for verification and **para was kept pending.**

**24.           Para No.14.13.**

Superintendent Central Jail, Sahiwal – Rs.263,050/-

**6.5.2004** The Department explained that out of total 210440 Kgs wheat from 154 acres of land, wheat weighing 73790 Kgs from 54 acres of land was lifted but husk could not be obtained/

lifted due to use of harvester and wheat weighing 136650 Kgs from the remaining 100 acres of land was obtained/lifted through thresher and husk of the same weight was taken in the stock register. Thus no misappropriation was involved.

The Committee accepted the explanation of the department and **settled the para.**

**25.            Para No.15.2 Pages 9 & 18 of Audit Report for the year 1998-99; Embezzlement of Rs.61,314/- Due To Shortage of Store/Stock Recovery Thereof.**

Superintendent of Police, Mianwali – Rs.23,750/-

**7.5.2004**        The department explained that necessary entries in the stock register were available for verification.

On the recommendation of audit, the **Committee settled the para.**

**26.            Para No.15.3.**

Central Jail Mianwali-Rs.15,744/-.

**14.10.2004**    The Department explained that all the items were taken into account in the stock register and recovery of Rs.4,334/- had been effected and deposited into government treasury.

The Committee accepted the departmental reply and **settled the para.**

**27.            Para No.16.1 Pages 10 & 18 of Audit Report for the year 1998-99; Embezzlement of Rs.1,515,888/-.**

Superintendent of Police, Bhakkar – Rs.1,182,476/-

**7.5.2004**        Audit had pointed out embezzlement of Rs.1182476/- because discrepancy of amount was found in cash book and currency chest.

The Department explained that the said amount was received on account of pay of staff for the month of June 1998 which was disbursed to the concerned officials and had been verified by DSP headquarters and SP concerned.

On the recommendation of audit, **the Committee settled the para.**

**28.            Para No.16.2.**



Commandant (Pb.) Constabulary F/Abad – Rs.132,649/-

**8.5.2004** Audit had pointed out that discrepancies were found in balance as per cash book and balance in currency chest.

The Department explained that during the verification done by the audit team on 2.7.1998, the balance of 30.6.1998 was considered whereas an amount of Rs.290,725/- had already been disbursed to the actual payees uptill 2.7.1998 leaving balance of Rs.1,819,822/-. The total cash of Rs.1,952,470/- available in the chest included mess charges amounting to Rs.132,648/-. Therefore, there was no discrepancy.

On the recommendation of audit, **the Committee settled the para.**

**29. Para No.16.3.**

District Jail S/Pura – Rs.43,442/-

**6.5.2004** The Department explained that physical verification was carried on 4-7-1998 and balance amount as per cash book was Rs.52151/- which was found in chest. Hence no embezzlement had occurred.

On the recommendation of audit, **the Committee settled the para.**

**30. Para No.16.5.**

Superintendent of Police, Attock – Rs.18,391/-

**7.5.2004** Audit had pointed out that discrepancies in balance as per cash book and balance in currency chest were discovered.

The Department explained that the amount in question was the personal property of Inspector Mir Zaman, who had left the amount in writing for safe custody. Statements of the then accountant and inspector were available.

The Committee accepted the explanation of the department and **settled the para.**

**31. Para No.17 Page 20 of Audit Report for the year 1998-99; Irregular/ Over-Payment of Cycle Allowance and Excess Drawal of Pay (118,882 + 92,415=211,297).**

**7.5.2004** The Department explained that cycle allowance was paid in accordance with

Government of the Punjab letter dated 2-6-1972. The relevant record containing overall sanctioned strength of police stations/acquaintance rolls showing necessary disbursement was available for verification.

On the recommendation of audit, **the Committee settled the para.**

**32. Para No.18.1 Pages 19, 20 & 21 of Audit Report for the year 1998-99; Recovery of Rs.102,725/- Due to Overpayment of Daily Allowance and Luggage Charges.**

S.S.P. Lahore-Rs.24,420/-.

**15.10.2004** Administrative Department explained that recovery as pointed out by Audit had been made good and got verified by Audit.

Audit verified the departmental contention and **para was settled.**

**33. Para No.18.2.**

Superintendent of Police, Layyah – Rs.46,055/-

**7.5.2004** The Department explained that full recovery had been effected and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**34. Para No.18.3.**

S. P. Vehari-Rs.32,250/-.

**14.4.2005** The Department explained that complete recovery had been effected and verified by Audit.

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

**35. Para No.19 Page 21 of Audit Report for the year 1998-99; Recovery of Overpayment of Rs.94,831/- Due to Drawal of Allowances of Urban Area While Posted in Rural Area.**

**15.10.2004** Administrative Department explained that recovery as pointed out by Audit had been made good and got verified by Audit.

Audit verified the departmental contention and **para was settled.**

**36. Para No.20 Pages 21 & 22 of Audit Report for the year 1998-99; Recovery of Rs.78,515/- Due to Un-Authorised Drawal of House Rent Allowance and Conveyance Allowance**

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**14.4.2005** The Department explained that balance recovery had been effected and verified by Audit.

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

**37. Para No.21 Page 22 of Audit Report for the year 1998-99; Recovery of Rs.71,875/- Due To Overpayment of Pay.**

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**8.5.2004** The Department explained in the meeting that full recovery had been effected which could be verified by audit.

The Committee conditionally settled the para subject to verification of recovery/ relevant record by audit.

**15.10.2004** Administrative Department stated that balance amount of Rs.29,232/- had been recovered and got verified by Audit.

Audit verified the departmental contention and **the para was settled.**

**38. Para No.22 Pages 22 & 23 of Audit Report for the year 1998-99; Irregular Drawal of Pay & Allowances By the Jail Factory Staff Worth Rs.55,191/-.**

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**6.5.2004** Audit had pointed out that the officials were drawing pay & allowances from Central Jail Gujranwala but working in another district.

The Department explained that due to shut down of jail factory in the wake of riots, 3 members of technical staff remained working in other jail up to 11/98 temporarily to ensure their proper utilization. On re-functioning of jail factory, temporary attachment was

discontinued.

Finance Department observed that since attachment exceeded 3 months, therefore, regularization was required.

The Committee conditionally settled the para subject to regularization by the Finance Department.

**14.10.2004** The Department explained that matter for regularization was under process and several reminders were also issued for the purpose.

The para was conditionally settled subject to regularization by the Finance Department.

**13.4.2005** The Department explained that the cases had been sent to the Finance Department for regularization of the expenditure and the same were still under process.

The Department was directed to get the expenditure regularized by the Finance Department and **para was kept pending.**

**39. Para No.23 Page 23 of Audit Report for the year 1998-99; Recovery of Rs. 38,568+Rs.17,484 = 56,052 on Account of Un-Authorised and Irregular Payment of Special Pay @20%.**

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**14.4.2005** The Audit had pointed out that irregular payments of special pay had been made.

The Department explained that as per Finance Department letter dated 16-10-2001, all the officials posted in the traffic police were entitled for the grant of 20% special pay.

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

**40. Para No.24.1 Pages 19 & 23 of Audit Report for the year 1998-99; Recovery of Rs.49,589/- on Account of Irregular Drawal of Conveyance Allowance.**

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I.G. Punjab, Lahore-Rs.20,969/-.

**14.4.2005** The Audit had pointed out that irregular drawl of conveyance allowance was occurred.

The Department explained that recovery of Rs.8,899/- had been effected and verified by Audit. Moreover, out of Rs.12,070/-, recovery of Rs.1000/- had been effected and verified by Audit. The Department further contented that remaining recovery was not due on the grounds that the officer was maintaining his own car.

The Audit observed that the departmental contention was not tenable.

The Department was directed to effect balance recovery and **para was kept pending.**

#### **41. Para No.24.2.**

Home Department – Rs.28,620/-

**6.5.2004** The Department explained that a sum of Rs.15620/- had been recovered from 5 officers and efforts to recover balance amount were being made.

The Committee conditionally settled the para, subject to verification of recovery effected by audit and balance recovery.

**14.10.2004** The Department explained that in compliance with PAC directions given in its meeting held on 8 May 2004, recovery from all officers had been effected except Mr Attiq-ur-Rehman. He had been requested to deposit a sum of Rs.2,316/-.

Audit stated that recovery excluding the aforesaid amount had been seen and verified.

The Committee conditionally settled the para subject to balance recovery and its verification by audit.

**13.4.2005** The Department explained that recovery from all the officers had been effected and verified by Audit except balance recovery of Rs.2316/-.

**The para was settled subject to balance recovery and its verification by Audit.**

**42. Para No.25 Page 24 of Audit Report for the year 1998-99; Recovery of Amount Irregularly Drawn on Account of House Rent Allowance Amounting to Rs.36,162/- and 5% Deduction Amounting to Rs.5,320/-.**

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**15.10.2004** Administrative Department explained that Mr. Jamshed Qazi, ASP was now serving in Sindh Government, however, efforts were being made to effect total recovery of Rs.41,482/-.

The Committee directed the Department to approach to AG Sindh for deduction of said amount out of the salary of the official concerned and the para was kept pending.

**14.4.2005** The Department explained that efforts were being made to recover the outstanding amount.

The Department was directed to expedite the recovery and **para was kept pending.**

**43. Para No.26 Page 24 of Audit Report for the year 1998-99; Recovery of Over Payment Amounting To Rs.42,999/- On Account of Risk Purchase.**

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**6.5.2004** The Department explained that entire amount had been recovered and verified by SDAC in its meeting held on 7-11-2001.

On the recommendation of audit, the Committee **settled the para.**

**44. Para No.27 Page 29 of Audit Report for the year 1998-99; Wasteful, Unnecessary and Unjustified Expenditure Amounting to Rs.110,104,065/-**

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**7.5.2004** Audit had pointed out that a sum of Rs.110,104,065/- was spent unnecessarily on account of pay of security force and contingency charges whereas PM's Secretariat and President's House stood shifted to Islamabad since 1990.

The Department explained that after shifting of PM's House/Secretariat and President's House from Rawalpindi to Islamabad during 1990, no orders regarding closing of these units had been received from any higher authority. The strength deployed at the above premises were performing VVIP security duties with PM and President as well as in respect of VIP security. The expenditure involved included pay and allowances of the officers/officials and charges incurred on repair of vehicles/POL. The Additional IG of Police Punjab stated that the force was performing VVIP security duties in the jurisdiction of Rawalpindi District and the expenditure was justified.

Finance Department observed that this was an administrative issue and it was for the Department to examine and decide whether such security arrangements at Rawalpindi were required after the shifting of President's House.

In view of the statement of the Additional IG of Police, Punjab that the police force was performing duties pertaining to VVIPs security the Committee **settled the para.**

**45. Para No.28 Pages 29 & 30 of Audit Report for the year 1998-99; Irregular Drawal of Rs.15,000,000/- Out of Punjab Police Compensation Fund/ Shaheed Fund Without the Approval of Finance Department.**

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**14.4.2005** The Department explained that the requisite record had been verified by Audit.

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

**46. Para No.29 Page 30 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.8,755,000/- Incurred on the Repair of Vehicles Without NOC.**

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**15.10.2004** The Administrative Department explained that the partly repair work of the vehicles were done in sub-workshop of M.T Punjab at District Police Line after observing all codal formalities and some other repair work was carried out through local workshops after obtaining the necessary NOC from the MT workshop functioning under supervision of SP (M.T).

Audit pointed out that the Department has not produced any NOC for verification.

The Committee directed to produce all relevant record to the Audit and settled the para subject to verification.

**14.4.2005** The Department explained that the requisite record had been verified by Audit.

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

**47. Para No.30 Pages 30 & 31 of Audit Report for the year 1998-99; Irregular expenditure of Rs.6,823,670/- on account of local purchase by undue favour to local contractor.**

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**8.5.2004** Audit had pointed out that various articles were locally purchased on cash payment on day to day basis at higher rates without calling tenders from a single contractor to oblige him in the presence of annual contract with other contractors.

The Department explained that local purchases were made after obtaining permission from IG Prisons Punjab. The Department, however, admitted that mistake was committed while making cash payments exceeding Rs.10,000/- It was further stated that as per inquiry report, the



whole expenditure could not be attributed to a single contractor because out of Rs.6823,670/-, approximately a sum of Rs.20 lacs was paid to Government institutions and the remaining amount was paid to various contractors after observing codal formalities.

Finance Department observed that according to rule 15.2 PFR VOL-I, relaxation could be obtained in cases of emergent nature from competent authority. However, cheques were required to be given in respect of payment exceeding Rs.10,000/-. Therefore, regularization by competent forum was required.

The Committee directed that the department should take appropriate action for getting the matter regularized by competent forum.

The para was kept pending.

**14.10.2004** The Department explained that in compliance with PAC direction given in its meeting held on 6-8 May 2004, matter for regularization of the expenditure had been referred to the competent authority.

The para was conditionally settled subject to regularization by the competent authority.

**13.4.2005** The Department explained that the cases had been sent to the Finance Department for regularization of the expenditure and the same were still under process.

The Department was directed to get the expenditure regularized by the Finance Department and **para was kept pending**.

**48.            Para No.31.1 Pages 25 & 31 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.6,471,977/- Beyond competency.**

Sr. Superintendent of Police, S/Pura – Rs.177,598/-

**8.5.2004** The Department explained that ex- post facto sanction in respect of the expenditure made had been accorded by the competent authority.

On the recommendation of audit, the Committee **settled the para**.

**49.            Para No.31.2.**

S. P. Kasur-Rs.894,882/-.

**14.4.2005** The Department explained that the cases for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**50. Para No.31.3.**

S. P. Kasur-Rs.296,399/-.

**14.4.2005** The Audit had observed that irregular expenditure was incurred on local purchase of stationery and uniform.

The Department explained that expenditure had been regularized by the Finance Department and said sanction verified by Audit.

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

**51. Para No.31.4.**

New Central Jail, Multan – Rs.60,350/-

**8.5.2004** Audit had pointed out that local purchase of stationery and uniform was made by splitting up work order to avoid sanction of higher authorities.

The Department explained that sanction for the purchase of stationery items was accorded by the competent authority.

During the course of the meeting he audit verified the departmental contention.

The **para was settled.**

**52. Para No.31.5.**

S. P. Kasur-Rs.324,086/-.

**14.4.2005** The Department explained that the cases for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**53.           Para No.31.6.**

Superintendent of Police, Faisalabad – Rs.1,150,312/-

**7.5.2004**        Audit had pointed out that in order to avoid sanction by higher authorities, local purchase of stationery and uniform was made by splitting up work order.

The Department explained that purchase was made by the District Purchase Committee after fulfilling all the codal formalities. The DIG/SP were competent to sanction expenditure upto Rs.75,000/- and 50,000/- respectively at a time. It was further stated that out of Rs.1,150,312/- a sum of Rs.519,466/- related to sewing charges and for remaining amount of Rs.630,846/- the case had been referred to the competent authority for regularization.

The Committee directed that the Police Department should take appropriate action i.e. either the matter be got regularized by the competent authority or the recovery be effected.

The para was kept pending till next meeting.

**14.10.2004**    The Department explained that as per directions of PAC given in its meeting held on 6-8 May 2004, the matter for regularization of the excess expenditure had been referred to Finance Department and decision thereon was still awaited.

The para was conditionally settled subject to regularization by Finance Department.

**14.4.2005**        The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**54.           Para No.31.7.**

S.S.P. Lahore-Rs.3,432,512/-.

**15.10.2004**    Audit had pointed out unauthorized local purchase of stationery and uniforms by splitting up of work orders.

Department explained that all the purchases were made after observing usual formalities and the sanctions are covered under the delegation of financial power rules 1990.

Audit desired that the relevant record may be produced for verification.

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

**14.4.2005** The Audit observed that the Department contention was not tenable.

The Department was directed to get the expenditure regularized by the Finance Department and **para was kept pending.**

**55. Para No.31.8.**

Home Department – Rs.135,838/-

**6.5.2004** The Department explained that all the vouchers pertaining to items of daily use were sanctioned by the DDO within his competency. No splitting of expenditure was made.

On the recommendation of audit, the Committee **settled the para.**

**56. Para No.32 Pages 31 & 32 of Audit Report for the year 1998-99; Irregular Expenditure Amounting To Rs.3,142,613/- Incurred on the Purchase of Wheat Flour (Atta).**

**8.5.2004** Audit had pointed out that Atta was purchased through limited tender inquiry etc. without observing codal formalities.

The Department explained that prior to the execution of the contract by IG Prisons, purchase of wheat atta was arranged @ Rs.8.30 per Kg after observing codal formalities within competency. The IG approved contract of wheat for Lahore Division @ Rs.9.04 per Kg. w.e.f. 23-9-1997 for the year 1997-98 and thereafter wheat atta was purchased on rate contract.

On the recommendation of audit, the Committee **settled the para.**

**57. Para No.33 Page 32 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.1,728,000/- Due to Irregular Appointment.**

**7.5.2004** Audit had pointed out that loss was sustained to the Government by not obtaining NOC from S&GAD to absorb the surplus staff.

The Department explained that the Police Department was governed under a special law namely the Police Act and rules made there under i.e. Police Rules 1934 and, therefore, the ban imposed on recruitment to civil posts was not applicable to it. Moreover, the Home Department and Chief Minister's Secretariat had allowed recruitment in Police Department in relaxation of ban vide letters dated 24.1.1990 and 10.8.1991 respectively.

The Committee accepted the explanation of the department and **settled the para.**

**58. Para No.34 Pages 32 & 33 of Audit Report for the year 1998-99; Recovery of Irregular Payment of Rs.1,686,000/- of Electricity Bills.**

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**14.4.2005** The Department explained that the requisite record had been verified by Audit.

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

**59. Para No.35 Page 33 of Audit Report for the year 1998-99; Irregular Excess Expenditure of Rs.1,208,968/- Over and Above Budget Allocation.**

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**7.5.2004** The Department stated that Rs.1,208,968/- were spent more than budget allocation under head "Pay of Establishment" and on disbursement of salaries to the employees due to allocation of insufficient funds for the purpose.

The Committee directed that the department should get the excess budget regularized from the Finance Department.

The para was kept pending.

**14.10.2004** The Department explained that in compliance with PAC directions given in its meeting held on 6-8 May 2004, the case for regularization of excess budget had been referred to the Finance Department and decision thereon was still awaited.

The Committee directed the Department to pursue the case vigorously with Finance Department.

The para was kept pending.

**14.4.2005** The Department explained that the case for regularization had been sent to the

Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**60. Para No.36 Pages 33 & 34 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.1,150,680/- and Recovery of Rs.166,471/-.**

**8.5.2004** Audit had pointed out that expenditure was incurred beyond competency and “Nawar” was purchased from the same supplier at two different rates.

The Department explained that DPO being category II officer was competent to purchase articles upto Rs.150,000/-. The articles were purchased on different dates and no splitting up was done. Moreover, “Niwar” purchased was of superior quality. However, the case for regularization of expenditure had been referred to competent authority.

The Committee directed that the recovery should be effected within 60 days.

The para was kept pending.

**15.10.2004** Administrative Department contended that the recovery was not due, however, the case for regularization was pending with Home Department/Finance Department.

The Committee directed that the expenditure be got regularized from the competent authority and if the competent authority was not ready to regularize the expenditure then disciplinary proceedings against the responsible may be initiated.

The para was kept pending.

**14.4.2005** The Audit observed that during verification of the record, the Department could not prove its contention that the “Nawar” was of superior quality due to which higher rates were charged and the quotations were self-made having the same dates and handwriting.

The **para was kept pending** with the direction that matter may be examined by Sardar Muhammad Yousaf Khan Legari MPA and Finance Department jointly and submit report to the PAC.

**61. Para No.37 Page 34 of Audit Report for the year 1998-99; Irregular/ Doubtful Expenditure worth Rs.883,200/- On Account of Purchase of Beret Caps.**

**7.5.2004** Audit had pointed out that expenditure to the stated amount was incurred on purchase of various items but no stock receipts and issue entries were made which indicated doubtful expenditure/misappropriation.

The Department explained that the purchases were made centrally by the CPO Lahore for the entire province of Punjab and the stock entries were also made at central level, whereas the payments were made by the respective District Police Officers/DDOs within their competence. All the relevant record/actual payees receipts were available in CPO which could be verified by audit.

Finance Department observed that special dispensation had been allowed to the Police Department to make purchase at central level and payment was to be made at District level as per allocation of funds to District SPs by CPO. However, the District SPs/DDOs should also maintain the stock register for the items purchased to ensure transparency.

The Administrative Department suggested that a fact finding inquiry should be held about this case.

The Committee appointed one member Sub Committee comprising Mr. Aftab Ahmad Khan, MPA to inquire into the matter whether purchases made at central level in Police department and payments made at District level was in accordance with the rules or otherwise and also to look into as to why relevant entries were not recorded in the stock registers in the office of the Senior Superintendent of Police Rawalpindi/ Commandant P.C Farooqabad.

The para was kept pending.

**14.10.2004** The Department explained that the matter pertaining to subject para was under consideration with the Sub-Committee of PAC-I headed by Mr Aftab Ahmad Khan, MPA.

The para was kept pending for want of the report by the Sub-Committee.

**15.3.2005** The Sub-Committee was informed by the Department that the Governor of West Pakistan vide his order dated 2-12-1969, in relaxation of the normal purchase procedure had authorized the Police Department to make their purchases of Clothing and Equipment. The Police Department was further empowered to make necessary delegation of powers in this behalf to their officer, as deemed fit by them. It was added that IGP had constituted a Purchase Committee-II, comprising of three DIG and AIG/Logistics for the purchase of Uniform Articles. The said items had been purchased after completing codal formalities.

The Audit observed that purchase procedure was not properly observed because the



Police Department had allowed the purchases at Central level and thereafter made payments at Districts level which was against the financial propriety. The Finance Department endorsed the view point of the Audit point.

The Department further explained that this practice had been discontinued and payments for central purchases were being made at central level.

The Sub Committee observed that there was no misappropriation except a procedural irregularity. Therefore, the Sub Committee recommended to settle the para subject to regularization of the irregularity from the Competent Authority.

**14.4.2005** The Police Department explained that the said paras had been considered thoroughly by the Sub Committee and observed that there was no misappropriation except a financial irregularity. Therefore, the Sub Committee recommended to settle the para subject to regularization of the irregularity from the Competent Authority.

On the recommendation of the Sub Committee, **the para was settled subject to regularization of the irregularity from the Competent Authority.**

**62. Para No.38 Page 34 of Audit Report for the year 1998-99; Irregular Doubtful Drawal of Rs.837,435/- on Account of Repair Charges of Government Vehicles.**

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**14.4.2005** The Department explained that complete recovery had been effected and verified by Audit.

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

**63. Para No.39 Pages 34 & 35 of Audit Report for the year 1998-99; Irregular Expenditure Amounting To Rs.866,702/- Incurred on the Local Purchase of Vegetable Ghee.**

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**8.5.2004** The Department explained that despite repeated advertisements through national press, contract for purchase of vegetable ghee for the year 1997-98 could not be executed due to excessive rates. Therefore, vegetable ghee on competitive rates as per Market Committee rates was purchased by the Superintendent Jail/competent authority.

On the recommendation of audit, **the Committee settled the para.**

**64. Para No.40 Page 35 of Audit Report for the year 1998-99; Recovery**

**of Rs.800,000/- Due To Irregular and Un-Authorised Re-Appropriation of Funds.**

**8.5.2004** Audit had pointed out that unauthorized re-appropriation of funds without the approval of Finance Department had been done.

The Department explained that re-appropriation of funds was approved by the competent authority/IGP and no element of malafide was involved. However, the case for regularization had been sent to Finance Department.

The Committee kept the para pending

**15.10.2004** Administrative Department explained that the case to regularize the re-appropriation of funds of Rs.800,000/- had been sent to Finance Department but the same was still under progress.

The Committee directed to pursue the case vigorously and the para was kept pending.

**14.4.2005** The Department explained that the cases for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**65. Para No.41 Page 36 of Audit Report for the year 1998-99; Un-Economical Un-Authorised and Irregular Expenditure of Rs.663,537/- On Repair of Government Vehicles.**

**7.5.2004** The Department explained that the expenditure incurred on repair of 85 vehicles during 1997-98 fell within the competency of DIG/SP which was carried out under the supervision of Police M.T. Workshop.

On the recommendation of audit, the Committee **settled the para.**

**66. Para No.42.1 Pages 26 & 36 of Audit Report for the year 1998-99; Irregular and Unjustified Payment of Rs.580,140/- on Account of Sewing Charges.**

S. S. P. Multan-Rs.180,000/-.

**14.4.2005** The Department explained that rates of sewing charges of uniform had been

approved by the I.G.P. These rates were the absolute minimum and lowest i.e. rate of shirt Rs.20/- and pent for Rs.40/- only. No other tailor accepted these sewing charges in the market throughout Pakistan.

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

**67. Para No.42.2.**

Sr. Superintendent of Police, Bahawalpur – Rs.178,618/-

**8.5.2004** Audit had pointed out the awarding of a contract to a Government employee, less deduction of income tax from him and splitting up of expenditure to avoid sanction by competent authority.

The Department explained that a departmental Committee had decided that the line tailor could participate in the process and that the contract was awarded through fair competition. Income tax as per rules was also deducted. However, the case for regularization of expenditure had already been referred to the competent authority.

The para was kept pending.

**15.10.2004** Department explained that the case had been referred to Home Department/Finance Department for regularization and the same had not been received back.

The para was kept pending for regularization by the Finance Department.

**14.4.2005** The Department explained that the cases for regularization had been sent to the Finance Department and decision is awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**68. Para No.42.3.**

S. P. Vehari-Rs.111,450/-.

**14.4.2005** The Department explained that rates of sewing charges of uniform had been approved by the I.G.P. These rates were the absolute minimum and lowest i.e. rate of shirt Rs.20/- and pent for Rs.40/- only. No other tailor accepted these sewing charges in the market throughout Pakistan.

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

**69. Para No.42.4.**

S. P. Khanewal-Rs.110,072/-.

**14.4.2005** The Department explained that rates of sewing charges of uniform had been approved by the I.G.P. These rates were the absolute minimum and lowest i.e. rate of shirt Rs.20/- and pent for Rs.40/- only. No other tailor accepted these sewing charges in the market throughout Pakistan.

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

**70. Para No.43 Page 37 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.516,195/- on Account of Repair of Government Vehicles.**

**14.4.2005** The Audit had pointed out that the Department incurred expenditure of Rs.516,195/- on repair of Government vehicles without inviting open tenders.

The Department explained that expenditure on repair of Government vehicles had been incurred after observing all codal formalities.

On the assurance of Additional I.G. Police that amounts were incurred in an emergency and there was no misappropriation, the committee **settled the para.**

**71. Para No.44.1 Pages 26, 37 & 38 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.402,745/- Incurred Out of Incorrect Head of Account.**

I.G. Police Punjab, Lahore-Rs.49,700/-.

**14.4.2005** The Department explained that the cases for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**72. Para No.44.2**

S. P. Vehari-Rs.31,100/-.

**14.4.2005** The Audit observed that the Department had contented that no sufficient funds were allocated under the head of account. “65400-cash reward” and payments were made out of detailed “object 59999-others”

The Department was directed to get the irregular expenditure regularized from the competent authority and **para was kept pending.**

**73. Para No.44.3.**

I.G. Police Punjab, Lahore-Rs.289,006/-.

**14.4.2005** The Department explained that the cases for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**74. Para No.44.4.**

Superintendent of Police (M.T), Lahore – Rs.32,939/-

**8.5.2004** The Department explained that the motor cycles were converted into police model by installing hooters and wind screens on the directions of Inspector General of Police. New accessories were purchased from head of account pertaining to purchase of transport. However, a case for regularization of expenditure had been moved.

Finance Department observed that the expenditure incurred was charged to the wrong head and therefore needed regularization.

The Committee conditionally settled the para subject to regularization of expenditure by the Finance Department.

**15.10.2004** During the meeting dated 6-8.5.2004, the paras were conditionally settled subject to regularization of expenditure by the Finance Department.

Administrative Department explained that the case for regularization by the Finance Department had been moved on 18.9.2004.

The Committee directed that further action may be taken as per advice of the Finance Department.

The para was kept pending.

**14.4.2005** The Department explained that the cases for regularization had been sent to the Finance Department and decisions were awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**75. Para No.45 Page 38 of Audit Report for the year 1998-99; Un-Authorised Expenditure to the Tune of Rs.386,500/-.**

**8.5.2004** Audit had pointed out that besides splitting the rates/fabrication per vehicle, the expenditure was charged to wrong head of account.

The Department explained that the Home Department/Finance Department had allocated funds for the fabrication of the bodies under the head of account 41000. However, a case for regularization had been moved.

The Committee settled the para subject to regularization of the case by the Finance Department.

**15.10.2004** Administrative Department explained that the case for regularization by the Finance Department had been moved on 18.9.2004.

The Committee directed that further action may be taken as per advice of the Finance Department.

The para was kept pending.

**14.4.2005** The Department explained that the cases for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**76. Para No.47 Pages 8 & 9 of Audit Report for the year 1998-99; Irregular Drawal of Rs.277,160/- on Account of Contingent Paid Staff.**

**14.4.2005** The Audit had pointed out that Government sustained loss due to payments drawn on account of pay of contingent paid staff during ban imposed by the Government.

The Department explained that there was no ban on payment to the contingent paid staff. In the light of clarification by the Finance Department, payment to the contingent paid staff was not irregular.

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

**77. Para No.48 Pages 39 of Audit Report for the year 1998-99; Irregular Purchase of Tyres For Rs.263,082/-.**

**7.5.2004** Audit had pointed out that tyres were purchased without observing codal formalities.

The Department explained that codal formalities were observed and quotations for the purchase of tyres and tubes were called on different occasions.

The Audit verified the contention of the Department.

On the recommendation of audit, the Committee **settled the para.**

**78. Para No.49 Pages 39 & 40 of Audit Report for the year 1998-99; Irregular Payment of House Building Advance of Rs.250,000/-.**

**7.5.2004** The Department explained that House Building Advance was sanctioned in favour of the officials after obtaining agreement/mortgage deeds on stamped paper from them.

On the recommendation of audit, the Committee **settled the para.**

**79. Para No.50.1 Pages 27 & 40 of Audit Report for the year 1998-99; Irregular Purchase of Stationery Worth Rs.543,188/-.**

Superintendent of Police, T.T Singh – Rs.230,190/-

**7.5.2004** Audit had pointed out that purchase of stationery was made without inviting tenders through the press.

The Department explained that stationery articles were purchased after observing all codal formalities. However, a case had been moved to the competent authority for ex-post fact sanction in the matter.

The Committee directed the department to take action against the DDO concerned for not referring the case well in time for regularization under intimation to PAC.



The para was kept pending.

**14.10.2004** The Department explained that as per PAC directions given in its meeting held on 6-8 May 2004, a case for regularization of the expenditure had been moved to the competent authority which was under process and the action against the DDO could not be taken as he had been recently martyred in police encounter.

The Committee directed the department to pursue the case for regularization vigorously.

The para was kept pending.

**14.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

#### **80. Para No.50.2.**

Superintendent of Police, Jhang – Rs.312,998/-

**8.5.2004** The Department explained that stationery was purchased after floating tenders in the National press from well reputed firms at competitive rates.

On the recommendation of audit, the Committee **settled the para.**

#### **81. Para No.51 Pages 40 & 41 of Audit Report for the year 1998-99; Recovery of Rs.204,828/- Loss Due To Un-Economical & Irregular Purchase of Dietary Articles.**

**8.5.2004** Audit had pointed out that dietary articles of Lot No.II were purchased through quotations instead of inviting tenders and that articles of Lot No.I, were purchased from local market at higher rates than those agreed with approved contractors. Moreover, differential price paid in excess was not effected from the defaulters.

The Department stated that as per the findings of the inquiry held into this matter, local purchase procedure was observed. However, as a result of recalculation made, the differential amount came to Rs.67,275/- instead of Rs.204,828/-.Purchase on higher price was made in emergency by the then Superintendent Jail, Mr. Hussnain Kazmi who was dismissed and

had since died. The pension case of the late Superintendent Jail was under process and recovery to the extent of share of each defaulter would be made.

Finance Department observed that firstly tenders were not invited and secondly, the dietary articles were purchased at exorbitant rates. Hence recovery should be effected from the defaulters.

The Committee directed the department to reconcile differential amount with audit and recover it from the defaulters concerned.

The para was kept pending.

**14.10.2004** The Department explained that an amount of Rs.204,828/- had been deducted from the family pension case of the deceased Superintendent Jail, whereas audit was of the view that recovery was still outstanding.

The Committee directed the Department to finalize the matter of family pension case and effect recovery at the earliest.

The para was kept pending.

**13.4.2005** The Department explained that efforts were being made to effect recovery.

The Department was directed to expedite balance recovery and **para was settled subject to verification of relevant record by Audit.**

## **82. Para No.52 Page 41 of Audit Report for the year 1998-99; Lapse Of Funds Amounting To Rs.195,100/- During 1997-98.**

**8.5.2004** Audit had pointed out that cheques lapsed due to non-encashment from the State Bank of Pakistan.

The Department explained that cheques issued at late hours on 30-6-1998 were presented to State Bank the same day but were not cleared due to non submission of payment schedule by the A.G. Punjab in time.

The Committee accepted the explanation of the department and **settled the para.**

## **83. Para No.54 Page 42 of Audit Report for the year 1998-99; Un-Necessary Retention of Heavy Cash Balances of Rs.154,808/-.**

**7.5.2004** The Department explained that all cash had been disbursed to the actual payees

and no amount was lying un-disbursed.

Finance Department observed that as per Financial Rules, the retention of Government money privately without disbursement would tantamount to temporary embezzlement.

The Committee settled the para subject to verification of relevant record by audit.

**14.10.2004** The Department explained that as per direction of the PAC given in its meeting held on 6-8 May 2004, relevant record had been shown to the Audit and verified by the Audit.

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

**84. Para No.55 Pages 42 & 43 of Audit Report for the year 1998-99; Un-Authorised and Un-Economical Expenditure of Rs.148,350/- On Printing.**

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**7.5.2004** Audit had pointed out that expenditure was incurred on printing work without obtaining NOC from Government Printing Press.

The Department explained that DIG of Police being category I officer was competent to get printing work done from private press upto Rs.5,000/- in each case without obtaining NOC from Government Printing Press. However, the work involving expenditure of Rs.45,335/- was got done from Government Printing Press.

On the recommendation of audit, the Committee **settled the para**.

**85. Para No.56 Page 43 of Audit Report for the year 1998-99; Loss of Rs.183,510/- due To Irregular Expenditure on The Repair of Gear Boxes Recovery Thereof.**

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**8.5.2004** The Department explained that variation in repair cost of gear boxes occurred because the repair work was got done from various firms on different dates. The bids through the Press were not invited because the expenditure incurred on each occasion was below Rs.100,000/-.

The audit verified the departmental contention.

On the recommendation of audit, **the Committee settled the para**.

**86. Para No.58 Page 44 of Audit Report for the year 1998-99; Irregular**

## **Expenditure of Rs.196,500/- And Recovery of Rs.33,750/-.**

**8.5.2004**      Audit had pointed out that Rs.196500/- were incurred by splitting up vouchers/sanctions and higher rates were paid for purchase of “Nawar”.

The Department explained that purchases were made through departmental purchase committee after observing all the codal formalities. Moreover, comparison of prices of articles in different cities was not justifiable.

The Committee directed the Department to produce relevant record for verification to audit.

The para was kept pending.

**15.10.2004**      Department explained that the purchases were made after observing all the codal formalities and the Departmental Purchase Committee had vetted the quality as well as the rates of purchases. All the vouchers, stock register and consumption accounts had been produced to Audit for verification.

Audit accepted the departmental contention and **the para was settled.**

### **87.              Para No.59 Page 44 of Audit Report for the year 1998-99; Unauthorized Expenditure to the Tune of Rs.1,722,000/-.**

**15.10.2004**      Audit had pointed out that the splitting of the rates/fabrications and irregular booking of expenditure to head 41000-repair instead of head 11000-purchase of vehicle.

The Department explained that funds were allocated for fabrication of bodies of 98 vehicles under the object head 41000- repair of transport. Copies of the budget allocations and accepted quotations had been got verified by the Audit.

Audit accepted the departmental contention and recommended the para for settlement.

The **para was accordingly settled.**

### **88.              Para No.60 Pages 44 & 45 of Audit Report for the year 1998-99; Irregular Expenditure on Purchase of Nawar Worth Rs.163,832/-.**

**7.5.2004**              The Department explained that in the wake of late receipt of funds at the close of financial year, codal formalities i.e. calling of tenders, could not be observed for the purchase of

“Niwar” which was immediately needed for the Police Force. However, the case for ex-post fact sanction was under process.

The Committee kept the para pending for regularization of expenditure by the competent authority.

**14.10.2004** The Department explained that as per PAC directions given in its meeting held on 6-8 May 2004, a case for regularization of the expenditure had been moved to the competent authority and decision thereon was still awaited.

The Committee directed the Department to pursue the matter vigorously with the competent authority.

The para was settled subject to regularization by the Finance Department.

**15.10.2004** Administrative Department explained that the case for regularization by the Finance Department had been moved on 18.9.2004.

The Committee directed that further action may be taken as per advice of the Finance Department.

The para was kept pending.

**14.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

### **89. Para No.61 Page 45 of Audit Report for the year 1998-99; Irregular Purchase of Medicines Worth Rs.146,993/-.**

**6.5.2004** Audit had pointed out that irregular expenditure to the tune of Rs.146,993/- was incurred on local purchase of medicines in violation of Government policy of 15% of budget and without obtaining NOC from MSD.

The Department explained that Government policy to incur 15% of budget allocation on local purchase was not applicable to the Prisons Department which was responsible to provide medical aid to the inmates and hence their case was distinguishable from the medical treatment being provided in hospitals to the general public. IG Prisons Punjab further stated that Prisons Department was functioning under the Prisons Rules and such matter required

consideration on case to case basis keeping in view the special and peculiar nature of each case.

Finance Department observed that the policy of 15% in respect of local purchase of medicines was applicable to all hospitals/field formations. The deviation from this policy required regularization.

The Committee accepted the explanation of the department and **settled the para.**

**90.            Para No.62 Pages 45 & 46 of Audit Report for the year 1998-99; Irregular Expenditure on Purchase of Consumable Stores Worth Rs.137,644/-.**

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**7.5.2004**        The Department explained that sanction was obtained for three different consumable items each valuing less than Rs. one lac from the competent authority/DIG of Police.

Audit pointed out that expenditure related to 1997-98, whereas sanction from DIG was obtained later on in 1999.

The Committee directed the department to produce relevant record in support of its contention in the next meeting of the Committee.

The para was kept pending.

**14.10.2004**    The Department explained that ex-post facto sanctions instead of financial sanction were erroneously issued by DIG whereas SP being category-I officer was fully competent in the instant matter.

The Committee directed the Department to produce relevant record in support of its contention.

The para was kept pending.

**14.4.2005**        The Department explained that the ex-post facto sanctions instead of Financial sanctions were erroneously been issued by the DIG against the expenditure related to 1997-98. The Financial sanctions were issued by the DPO/Mianwali.

The Department was directed to get expenditure of Rs.137,644/- regularized by the Finance Department and **para was settled subject to verification by Audit.**

**91.            Para No.63 Page 46 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.123,196/- on Account of Purchase of Durable Goods.**

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**14.4.2005** The Department explained that the requisite record had been verified by Audit.

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

**92. Para No.64 Page 46 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.97,200/- On Account of Purchase of Spare Parts of Vehicles.**

**8.5.2004** Audit had pointed out that expenditure/supply orders were split up to avoid sanction by the higher authority.

The Department explained that revised sanction from DIG of Police for the expenditure was obtained. The department, however, admitted that the DIG of Police was not competent to issue revised sanction and, therefore, the case would be got regularized by the Finance Department.

Audit observed that neither DIG was competent to grant ex-post facto sanction, nor the fate of remaining amount of Rs.24,120/- had been intimated.

The Committee conditionally settled the para subject to regularization of complete expenditure by the Finance Department.

**15.10.2004** Administrative Department explained that the case for regularization was under process and would be referred to Finance Department.

The Committee directed to get the expenditure regularized after giving proper justification and in case Finance Department was not ready to regularize the expenditure disciplinary proceedings against the responsible DDOs may be initiated under E&D Rules.

The para was kept pending.

**14.4.2005** The Department explained that the cases for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**93. Para No.65 Page 47 of Audit Report for the year 1998-99; Irregular Advance Payment Of Rs.61,000/- To WAPDA.**

**8.5.2004** The Department explained that out of Rs.61,000/- paid in advance to WAPDA, a sum of Rs.55,853/- had been adjusted in the bill for the month of 8/98 and remaining amount



would also be adjusted.

Finance Department observed that advance payment could only be made with the approval of Finance Department.

The Committee conditionally settled the para subject to regularization of advance payment by Finance Department.

**15.10.2004** The Department stated that log books of the vehicle were available and the entire PLO consumption was official.

The para was settled subject to verification of log books and other relevant record by the Audit.

**14.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**94.            Para No.66 Page 47 of Audit Report for the year 1998-99; Irregular Payment of Utility Charges Amounting To Rs.63,425/- Recovery of Rs.31,712/-**

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**6.5.2004** Audit had pointed out that utility bills in respect of the portion of the building being used as residence by the owner were also paid by the Department which had hired a portion of that building for use as office of Anti Terrorism Court.

The Department stated that the utility bills were paid on the directions of Provincial Ombudsman. However, the case for regularization had been sent to Finance Department.

The para was kept pending.

**14.10.2004** The Department explained that pursuance to the directions of PAC given in its meeting held on 6-8 May 2004, the case of regularization had been taken up with Finance Department and decision thereon was still awaited.

The para was kept pending till decision of the Finance Department.

**13.4.2005** The Department explained that the Finance Department had regularized expenditure of Rs.63,425/- which had been seen and verified by Audit.

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

**95. Para No.68 Page 48 of Audit Report for the year 1998-99; Unjustified/Doubtful Drawal of Rs.152,411/- on Account of Service Charges of Government Vehicles.**

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**14.4.2005** The Department explained that complete recovery had been effected and verified by Audit.

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

**96. Para No.69.1 Pages 49 & 56 of Audit Report for the year 1998-99; Non Realization of Police Guards Charges Amounting To Rs.15,126,152/-.**

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Sr. Superintendent of Police, B/Pur – Rs.6,726,587/-

**8.5.2004** Audit had pointed out non-recovery of charges in respect of police guards supplied to various departments/organizations.

The Department explained that police guard charges from State Bank of Pakistan, National Bank of Pakistan (Bahawalpur) had been recovered. No recovery was due against Regional Passport Office, Bahawalpur while large sums of money were outstanding against Pakistan Railways and Pakistan Broadcasting Corporation Bahawalpur. It was added that a DO letter had been sent to the Federal government for early clearance of dues. It was suggested that Finance Department should also take up this matter with the Federal Government.

Finance Department observed that at source deduction was not possible; however, the matter would be taken up with the Adjuster in the Finance Division. Finance Department suggested that the Department should also pursue the matter at their own level.

The para was kept pending.

**15.10.2004** The Department explained that a sum of Rs.1,896,069/- had been recovered and deposited into Government treasury. The Department further explained that Finance Department had been requested for deduction of the said amount at source.

The Finance Department clarified that it was not a provincial concern and suggested

to move the case to Federal Government through Chief Secretary Punjab.

Secretary, Home Department assured that he would personally take up the matter.

The Committee kept the para pending for recovery.

**14.4.2005** The Department explained that efforts were being made to recover the outstanding amount.

The Department was directed to expedite the recovery and **para was kept pending.**

**97. Para No.69.2.**

Sr. Superintendent of Police, B/Nagar – Rs.1,549,475/-

**8.5.2004** The Department explained that full recovery had been effected from NBP, Bahawalnagar, Haroonabad, Fortabbas and Minchinabad.

The Committee conditionally settled the para subject to verification of recovery/ relevant record by audit.

**15.10.2004** Department explained that the entire recovery of Rs.535,576/- had been effected and deposited in the Government treasury.

The Committee settled the para subject to verification of balance recovery of Rs.389,386/80 and its verification by Audit.

**14.4.2005** The Department explained that balance recovery had been effected and verified by Audit.

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

**98. Para No.69.3.**

S. S. P. Multan-Rs.225,100/-.

**14.4.2005** The Department explained that complete recovery had been effected and verified by Audit.

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

**99.           Para No.69.4.**

Superintendent of Police, Attock – Rs.2,387,020/-

**7.5.2004**       The Department explained that the matter was under correspondence with PCB/HPT Faqirabad, Attock, for depositing the outstanding amount on account of police guard charges who had intimated that pending liabilities would be cleared on the allocation of funds from Federal Government. Besides, Finance Department had also been requested for at source deduction of said amount from PCB/HPT funds for clearing their pending liability.

The Committee kept the para pending for recovery.

**14.10.2004**    The Department explained that as per directions of the PAC given in its meeting held on 6-8 May 2004, necessary correspondence was being made with PCB/H&T Faqirabad for recovery of outstanding amount and the Finance Department had also been requested for deduction of total recoverable amount at source.

The Administrative Secretary remarked that correspondence were not routed through Home Department, however, assured the Committee that he would personally take up the matter with concerned authorities for clearance of the liabilities.

The para was kept pending for recovery of the amount.

**14.4.2005**       The Department explained that efforts were being made to recover the outstanding amount.

The Department was directed to expedite the recovery and **para was kept pending.**

**100.           Para No.69.5.**

S. P. Rahim Yar Khan-Rs.1,305,018/-.

**14.4.2005**       The Audit had pointed out that Government sustained loss due to non-recovery of charges of police guards supplied to various departments/organizations.

The Department explained that recovery of Rs.60,222/- had been effected and verified by Audit. Moreover, recovery of Rs.106,753/- had been effected and deposited into Government treasury. The Department further contented that remaining recovery was not due.

The Audit observed that the departmental contention was not tenable.

The Department was directed to effect balance recovery and **para was kept pending.**

**101.            Para No.70.1 Pages 49 & 56 of Audit Report for the year 1998-99; Recovery of Rs.7,872,964/- due To Consumption of POL over and Above The Entitlement.**

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Home Department Punjab, Lahore – Rs.64,374/-

**6.5.2004**        The Department stated that the case had been referred to Finance Department for regularization.

The Committee kept the para pending for regularization of the case by Finance Department.

**14.10.2004**    The Department explained that pursuance to the directions of PAC given in its meeting held on 6-8 May 2004, the matter for regularization had been taken up with Finance Department and decision thereon was still awaited.

The para was kept pending till decision of the Finance Department.

**13.4.2005**        The Department explained that the Finance Department advised to get the entitlement of POL ceiling revised from S&GAD; or, to recover the charges which had been incurred beyond the entitlement fixed by the S&GAD.

The case of revision of entitlement was with the S&GAD and decision was awaited.

The Department was directed to pursue the case with S&GAD vigorously or to effect recovery and **the para was kept pending.**

**102.            Para No.70.2.**

Superintendent of Police M.T (Pb.), Lahore – Rs.328,096/-

**8.5.2004**        The Department explained that POL ceiling for officers was not fixed and the log books of the vehicles complete in all respects were available and would be presented to audit for verification.

Finance Department observed that the log books were missing/not traceable and, therefore, the matter required necessary probe.

The Committee kept the para pending for appropriate action by the Department.

**15.10.2004** The Department stated that log books of the vehicle were available and the entire PLO consumption was official.

The para was settled subject to verification of log books and other relevant record by the Audit.

**14.4.2005** The Department explained that the requisite record had been verified by Audit.

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

**103.           Para No.70.3.**

I.G. Prison, Lahore-Rs.48,052/-.

**8.5.2004** The Department stated that an inquiry in this regard had been held. It was explained that audit had not excluded the distance covered beyond the limits of Municipal Corporation in calculating POL expenses as per log books. The two vehicles were placed in the pool for use by officers of Prisons Department for officials duties. However, an amount of Rs.997/- had been recovered in respect of journey performed beyond entitlement.

The Committee directed the Department to produce inquiry report/relevant record to audit.

The para was kept pending.

**14.10.2004** The Department explained that as per directions of PAC given in its meeting held on 6-8 May 2004, inquiry report was produced to audit and recovery of Rs.1,697/- had been effected; whereas, an amount of Rs.13,725/- had been deducted from pension dues of the concerned official.

The Committee settled the para subject to verification of requisite record by audit.

**13.4.2005** The Department explained that recovery had been effected.

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

**104.           Para No.70.4.**

S.S.P. Lahore-Rs.7,432,442/-.

**15.10.2004** The Audit had pointed out consumption of POL beyond the limit in violation of Government instructions.

Department explained that in order to maintain law and order situation, the police had to travel out the Municipal limits and according to the Government instructions, the journey performed outside the Municipal limits was in addition to fuel consumption fixed by the Government. The Department further explained that a case for regularization of the excess expenditure on the POL had been referred to Finance Department.

The Committee directed the Department to get regularized the excess POL consumed from the Finance Department; and, if the Finance Department was not ready to regularize the expenditure, the recovery may made from the responsible person and disciplinary action may also be initiated.

The para was kept pending.

**14.4.2005** The Department explained that the excess fuel was consumed on official duties and not in private capacity.

The Department was directed to get it written off or to get enhance ceiling regarding consumption of POL by the Finance Department and record verification by Audit, **the para was kept pending.**

**105.           Para No.71 Page 57 of Audit Report for the year 1998-99; Recovery of Rs.320,000/- Due to Ammunition Not Returned By Staff Already Transferred to Other Districts.**

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**14.4.2005** The Department explained that the requisite record had been verified by Audit.

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

**106.           Para No.72.1 Pages 50 & 57 of Audit Report for the year 1998-99; Recovery of Rs.4,071,173/- on Account of Excess Calls on Residential Telephone.**

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S.S.P. Lahore-Rs.255,087/-.



**15.10.2004** Department explained that the concerned officers had been directed to deposit the excess amount, however, action was still pending.

The Committee directed that either the excess expenditure be got regularized by the Finance Department and if the Finance Department was not ready to do so recovery be effected from the responsible.

The para was kept pending.

**14.4.2005** The Department explained that efforts were being made to recover the outstanding amount.

The Department was directed to get it written off or to get enhance ceiling regarding residential telephone by the Finance Department and **para was kept pending.**

**107. Para No.72.2.**

Home Department Punjab, Lahore – Rs.19,639/-

**6.5.2004** The Department explained that full recovery had been effected.

The Committee conditionally settled the para subject to verification of recovery by audit.

**14.10.2004** The Department explained that total recovery amounting to Rs.19,639/- had been effected and relevant record had been seen and verified by audit.

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

**108. Para No.72.4**

S. P. Vehari-Rs.40.996/-.

**14.4.2005** The Department explained that efforts were being made to recover the outstanding amount.

The Department was directed to get it written off or to get enhance ceiling regarding residential telephone by the Finance Department and **para was kept pending.**

**109. Para No.72.5.**

S. P. Sahiwal-Rs.62,005/-.

**14.4.2005** The Department explained that efforts were being made to recover the outstanding amount.

The Department was directed to get it written off or to get enhance ceiling regarding residential telephone by the Finance Department and **para was kept pending.**

**110. Para No.72.6.**

Superintendent of Police, M/Garh – Rs.16,959/-

**7.5.2004** The Department explained that full recovery had been effected from the concerned officers.

On the recommendation of audit, **the Committee settled the para.**

**111. Para No.72.7.**

Superintendent of Police, Attock – Rs.51,026/-

**7.5.2004** The Department explained that the para comprised three parts. Recoveries in respect of over-payment of TA and income tax had since been effected and verified by audit. Efforts for balance recovery of Rs.31,697/- pertaining of excess telephone calls were continuing.

The Committee directed the Department to effect balance recovery within 60 days.

The para was kept pending.

**14.10.2004** The Department explained that in compliance with PAC directions given in its meeting held on 6-8 May 2004, efforts were being made to effect recovery from concerned official.

The Committee kept the para pending with the direction that department should expedite its action for recovery.

**14.4.2005** The Department explained that the complete recovery had been effected and deposited into Government Treasury.

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

**112.        Para No.72.8.**

Superintendent of Police Traffic, Rawalpindi – Rs.20,176/-

**7.5.2004**        The Department explained that entire amount had been recovered and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**113.        Para No.72.9.**

Senior Superintendent of Police, Faisalabad – Rs.84,326/-

**7.5.2004**        The Department explained that the residential telephones had to be used by the Police Officers beyond ceiling fixed by the Government in the interest of maintenance of law order with a view to keeping themselves abreast of the latest situation in their respective areas of jurisdiction. However, the officers concerned had been directed to deposit the dues outstanding against them.

The Audit verified that out of total recovery, an amount of Rs.12,142/- had been recovered.

The Committee directed that the Department should effect the recovery within 60 days.

The para was kept pending.

**14.10.2004**    The Department explained that as per PAC directions given in its meeting held on 6-8 May 2004, an amount of Rs.24,978/- had been recovered and deposited in Government treasury. The same had been verified by Audit whereas efforts were being made for balance recovery of Rs.59,348/-.

The Committee conditionally settled the para subject to balance recovery and its verification by audit.

**14.4.2005**        The Department explained that efforts were being made to recover the outstanding amount.

The Department was directed to get it written off or to get enhance ceiling regarding residential telephone by the Finance Department and **para was kept pending.**

**114.           Para No.72.10.**

Superintendent of Police, Narowal – Rs.1,248,370/-

**7.5.2004**       The Department explained that calls were made in official capacity in public interest.

The Committee directed that the Department should effect recovery within 60 days.

The para was kept pending.

**14.10.2004**   The Department explained that as per directions of the PAC given in its meeting held on 6-8 May 2004, efforts were being made for recovery of actual amount of Rs.3,385/- as agreed by the Audit, from the concerned officers.

The Committee directed the department to either get the excess amount of Rs.3,385/- be regularized by competent authority or effect recovery from concerned officials.

The para was kept pending.

**14.4.2005**       The Department explained that efforts were being made to recover the outstanding amount.

The Department was directed to get it written off or to get enhance ceiling regarding residential telephone by the Finance Department and **para was kept pending.**

**115.           Para No.72.11.**

Superintendent of Police, Layyah – Rs.139,691/-

**7.5.2004**       The Department explained that efforts were being made to effect recovery from the concerned officers.

The Committee directed that the Department should recover the amount within 60 days.

The para was kept pending.

**14.10.2004**   The Department explained that as per direction of PAC given in its meeting held on 6-8 May 2004, efforts were being made for recovery of the amount from the concerned officials.

The Committee directed the department to expedite the recovery process.

The para was kept pending.

**14.4.2005** The Department explained that efforts were being made to recover the outstanding amount.

The Department was directed to expedite the recovery and **para was kept pending.**

**116. Para No.72.12.**

Superintendent of Police, Mandi Bahauddin – 665,543/-

**7.5.2004** The Department explained that due to lack of official accommodation in district Mandi Bahauddin for the office of Superintendent of Police, a room in SP's residence was used for official purposes. The SP performed official duties in the camp office till the separation of DC office from SP office. Necessary certificate issued by PTCL authorities regarding installation of telephone at SP's residence was available for verification.

On the recommendation of audit, the **Committee settled the para.**

**117. Para No.72.13.**

Senior Superintendent of Police, G/Wala – 527,325/-

**7.5.2004** The Department explained that efforts were being made to effect recovery from the concerned officers.

The Committee directed that the Department should effect recovery in 60 days; however, it could refer the case for write off etc. to the competent authority.

The para was kept pending.

**14.10.2004** The Department explained that as per directions of PAC given in its meeting held on 6-8 May 2003, efforts were being made to recover the amount from concerned officer. However, a case for write off amounting to Rs.38,400/- in respect of Mr Shaheed Ashraf Marth SP (deceased), had been moved to the competent authority.

The Committee directed the Department to effect the recovery or to move a case for write off to the competent authority.

The para was kept pending.

**14.4.2005** The Department explained that efforts were being made to recover the outstanding amount.

The Department was directed to get it written off or to get enhance ceiling regarding residential telephone by the Finance Department and **para was kept pending.**

**118. Para No.72.15.**

Senior Superintendent of Police, Sargodha – Rs.721,914/-

**7.5.2004** The Department explained that efforts were being made to realize the recovery. It was further stated that if it would not be possible to effect recovery, a case for write off would be moved.

The Committee directed the Department should recover the amount within 60 days.

The para was kept pending.

**14.10.2004** The Department explained that as per direction of PAC given in its meeting held on 6-8 May 2004, complete recovery had been effected from the concerned officers and deposited into government treasury and the same had been verified by audit.

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

**119. Para No.74.1 Pages 51 & 58 of Audit Report for the year 1998-99; Recovery of Rs.2,218,620/- On Account of Un-Authorized Drawal of Technical Allowance.**

Superintendent of Police, Chakwal – Rs.348,582/-

**7.5.2004** Audit had pointed out that technical allowance was drawn by officials working in Police Department in violation of clarification contained in Finance Departments letter dated 6.6.1996.

The Department explained that the para had been settled by SDAC in its meeting held on 27/28-12-2001. The said allowance was admissible to the officials of Police Department in the light of instructions contained in Finance Department's letter dated 16.10.2001.

The audit verified the departmental contention.

On the recommendation of audit, **the Committee settled the para.**

**120.        Para No.74.2.**

Superintendent of Police Traffic, Rawalpindi – Rs.49,303/-

**7.5.2004**        Audit had pointed out that payment of technical allowance was made to the officials of Police Department in violation of Finance Department's letter dated 6-6-1996.

The Department explained that the staff working in Police Department was entitled to draw technical allowance in the light of instructions contained in Finance Department's letter dated 16-10-2001.

On the recommendation of audit, **the Committee settled the para.**

**121.        Para No.74.3.**

Superintendent of Police, Khushab – Rs.430,931/-

**7.5.2004**        Audit had pointed out that payment of technical allowance was made to the officials of Police Department in violation of Finance Department's letter dated 6-6-1996.

The Department explained that the staff working in the Police Department was entitled to draw technical allowance in the light of Finance Department's letter dated 16-10-2001.

On the recommendation of audit, **the Committee settled the para.**

**122.        Para No.74.4.**

Senior Superintendent of Police, Sargodha – Rs.204,000/-

**7.5.2004**        Audit had pointed out that payment of technical allowance was made to the officials of Police Department in violation of Finance Department's letter dated 6-6-1996.

The Department explained that the staff working in the Police Department was entitled to draw technical allowance in the light of instructions contained in Finance Department's letter dated 16-10-2001.

On the recommendation of audit, **the Committee settled the para.**



**123.        Para No.74.5.**

Superintendent of Police M.T (Pb.), Lahore – Rs.68,949/-

**8.5.2004**        Audit had pointed out that payment of technical allowance was made to officials of Police Department in violation of Finance Department's letter dated 6-6-1996.

The Department explained that the staff working in Police Department was entitled to draw technical allowance in the light of Finance Department's letter dated 16-10-2001.

On the recommendation of audit, **the Committee settled the para.**

**124.        Para No.74.6.**

Sr. Superintendent of Police, S/Pura – Rs.489,963/-

**8.5.2004**        Audit had pointed out that payment of technical allowance was made to the officials of Police Department in violation of Finance Department's letter dated 6-6-1996.

The Department explained that the staff working in Police Department was entitled to draw technical allowance in the light of Finance Department's letter dated 16-10-2001.

On the recommendation of audit, **the Committee settled the para.**

**125.        Para No.74.8.**

Superintendent of Police, Jhelum – Rs.345,852/-

**7.5.2004**        Audit had pointed out that in violation of Finance Department letter dated 6.6.1996 technical allowance was paid to the officials working in Police Department.

The Department explained that the technical allowance was admissible to the officials working in Police Department in the light of instructions contained in Finance Department's letter dated 16-10-2001.

On the recommendation of audit, **the Committee settled the para.**

**126.        Para No.75.1 Pages 51, 58 & 59 of Audit Report for the year 1998-99; Recovery of Rs.1,420,744/- Due To Non Deposit of Jail Canteen Rent.**


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Central Jail G/Wala – Rs.480,000/-

**6.5.2004** Audit had pointed out that the Government had sustained loss to the stated extent due to non deposit of canteen rent into government treasury.

The Department explained that entire amount had been recovered and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**127. Para No.75.2.**

District Jail, Attock – Rs.80,500/-

**8.5.2004** Audit had pointed out that canteen rent had been collected from the contractors but had not been deposited into Government treasury.

The Department explained that the entire amount had been deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**128. Para No.75.3.**

Superintendent Central Jail, Faisalabad – Rs.376,244/-

**8.5.2004** Audit had pointed out that the amount of canteen rent had been collected from the contractors but was not deposited into Government treasury.

The Department explained that the entire amount Rs.376244/- had been deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**129. Para No.75.4.**

Senior Superintendent of Police, G/wala – 96,000/-

**7.5.2004** The Department explained that the Buildings Department had assessed rent of canteen @ Rs.1800/- P.M. Therefore, recoverable amount was Rs.21600/- which had been realized and deposited into Government treasury. It was further stated that since building of canteen was constructed out of Police welfare fund, therefore, remaining amount of 4200/- p.m. was deposited into Police Welfare Regimental Fund.

Finance Department observed that there was no justification for depositing a major portion of lease money into the Police Welfare/Regimental Fund. The entire lease money viz Rs.6,000/- p.m. was required to be deposited into Government treasury or in the alternative sanction from the competent forum was required.

The Department promised to look into this aspect of the case again.

The Committee directed that the Department should look into the matter again and produce relevant record/documents to audit also.

The para was kept pending till next meeting.

**15.10.2004** The Department took the plea that identical para No.162.17 for the year 1999-2000 of DPO Gujranwala was settled in PAC-II held on 28.8.2004. The Department further explained that as per directions of the Committee, rent assessed by the building department had been deposited into Government treasury.

The Committee accepted the explanation of the Department and **settled the para subject to verification of Assessment Certificate issued by the Building Department/XEN Provincial Works.**

### **130.            Para No.75.5.**

Central Jail, Multan – Rs.388,000/-

**8.5.2004** Audit had pointed out that canteen rent had been collected from the contractors but had not been deposited into Government treasury.

The Department explained that the entire amount had been deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

### **131.            Para No.76.2 Pages 52 & 59 of Audit Report for the year 1998-99; Recovery of Rs.1,038,820/- Due to Non/Less Deduction of Income Tax/ Professional Tax.**

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S. P. Rahim Yar Khan-Rs.93,581/-.

**14.4.2005** The Department explained that complete recovery had been effected and verified by Audit.

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

**132.        Para No.76.3.**

Sr. Superintendent of Police, B/Nagar – Rs.36,230/-

**8.5.2004**        During the course of meeting the department explained that recoverable amount was Rs.22,934/- instead of 36,230/- which had been recovered from the firms and deposited into Government treasury.

The Committee kept the para pending for verification of record by audit.

**15.10.2004**        Department explained that a sum of Rs.22,934/- already recovered had been got verified by Audit and the balance amount of Rs.11,118/- was not justified and requested to reduce the amount.

The Committee settled the para subject to verification of record and departmental contention by the Audit.

**14.4.2005**        The Audit observed that the Department could not be justified its contention and relevant record did not produce for verification.

The Department was directed to produce the requisite record to Audit for verification and **para was kept pending.**

**133.        Para No.76.4.**

S. P. Vehari-Rs.25,108/-.

**14.4.2005**        The Department explained that complete recovery had been effected and verified by Audit.

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

**134.        Para No.76.5.**

Home Department, Punjab, Lahore – Rs.24,634/-

**6.5.2004**        The Department explained that a sum of Rs.4,290/- had so far been recovered. For the balance recovery, the firms concerned had been asked to deposit the amount due from them.

Finance Department observed that the department should provide list of defaulter

companies to the Income Tax Department for appropriate action.

The Committee directed the Department to send a list of the firms containing necessary details of recoveries to Income Tax Department for further action.

The para was kept pending.

**14.10.2004** The Department explained that in compliance with PAC directions given in its meeting held on 6-8 May 2004, a list of the firms containing necessary details of recovery of Income Tax, had been provided to Income Tax Department.

The Committee directed the department to take up the case of recovery with District Coordination Officer, Lahore and Income Tax authorities with reference to PAC directive.

The para was kept pending.

**13.4.2005** The Department explained that efforts were being made to effect recovery as arrears of Land revenue through DCO Lahore; besides sending a list of defaulters to Income Tax Department.

The Department was directed to pursue the recovery vigorously and **para was kept pending.**

### **135. Para No.76.6.**

Superintendent Central Jail, Kot Lakhpat, Lahore-Rs.26,419/-.

**8.5.2004** The Department gave detailed explanation about various items and stated that necessary recovery from various suppliers had been effected except an amount of Rs.6,096/- which was still recoverable.

The Committee conditionally settled the para subject to balance recovery within 60 days and verification by audit.

**14.10.2004** The Department explained that as per directions of PAC given in its meeting held on 6-8 May 2004, complete balance recovery of Rs.6,096/- had also been effected.

The Committee conditionally settled the para subject to verification of complete recovery by audit.

**13.4.2005** The Department explained that complete recovery had been effected and verified

by Audit.

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

**136.        Para No.76.7.**

Senior Superintendent of Police, Faisalabad – Rs.24,801/-

**7.5.2004**  
realized.

The Department explained that entire recovery on account of income tax had been

On the recommendation of audit, **the Committee settled the para.**

**137.        Para No.76.8.**

Superintendent of Police M.T (Pb.), Lahore – Rs.205,786/-

**8.5.2004**

The Department explained that a sum of Rs.74,538/- had been recovered and efforts for balance recovery were being made.

The Committee kept the para pending with directions to the Department to expedite recovery.

**15.10.2004**

Administrative Department stated that balance recovery was being made from the contractors concerned and would be got verified by Audit.

**The para was settled subject to recovery and its verification by Audit.**

**138.        Para No.76.9.**

Superintendent of Police, Narowal – Rs.22,497/-

**7.5.2004**

The Department explained that an amount of Rs.11,223/- had been deducted and deposited into Government treasury whereas efforts to realize balance recovery were being made.

Audit verified the recovery to the extent of Rs.11,311/- only.

The Committee conditionally settled the para subject to balance recovery and verification of recovery already effected by audit.

**14.10.2004**

The Department explained that in compliance with the directions of PAC given in its meeting held on 6-8 May 2004, balance recovery of Rs.11,186/- had also been effected/

deposited into government treasury and verified by the Audit.

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

**139.           Para No.76.10.**

Superintendent of Police, D.G Khan – Rs.26,089/-

**7.5.2004**       The Department explained that entire amount had been recovered and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**140.           Para No.76.11.**

I. G. Police Punjab, Lahore-Rs.22,346/-.

**14.4.2005**       The Department explained that complete recovery had been effected and verified by Audit.

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

**141.           Para No.76.12.**

Sr. Superintendent of Police, Bahawalpur – Rs.35,456/-

**8.5.2004**       The Department explained that income tax had been deducted from the firms who made supplies beyond Rs.25000/-.

On the recommendation of audit, **the Committee settled the para.**

**142.           Para No.76.13.**

S. S. P. Rawalpindi-Rs.30,000/-.

**14.4.2005**       The Department explained that balance recovery had been effected and verified by Audit.

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

**143.           Para No.76.14.**



Superintendent of Police, Chakwal – Rs.18,000/-

**7.5.2004** The Department explained that the concerned firms had deposited professional tax with the Excise and Taxation Department and had produced the requisite certificates in this regard.

On the recommendation of audit, **the Committee settled the para.**  
**144.        Para No.76.15.**

S. P. Jhelum-Rs.25,000/-.

**14.4.2005** The Department explained that the complete recovery had been effected and deposited into Government Treasury.

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

**145.        Para No.76.16.**

Central Jail Sahiwal-Rs.77,890/-.

**8.5.2004** The Department explained that sale of agriculture produce was exempted from payment of income tax. About auction of canteen and cycle stand, it was stated that deduction of income tax was not applicable in such cases in the light of SDAC decision dated 30-11-2000 to the effect that Government receipts were not chargeable to income tax.

Finance Department observed that though Government was exempted from payment of Income Tax, yet certain issues needed clarification by Income Tax Department such as levy of the tax in respect of agriculture produce of the Jail farm or whether income tax would be due on auction money etc. or otherwise.

The Committee directed that the Department and the audit should look into various aspects of the issue in the light of the observations of the Finance Department.

The para was kept pending.

**14.10.2004** The Department explained that Agriculture Income derived from Jail Farm and auction money of canteen/cycle were exempted from Income Tax. However, clarification in the matter was being obtained from Regional Commissioner Income Tax, Multan.

The para was kept pending.

**13.4.2005** The Audit observed that contention of the Department was not justified with facts and figures.

The Department was directed to hold departmental inquiry at the earliest and **para was kept pending.**

**146.            Para No.76.17.**

S.S.P. Lahore-Rs.24,397/-.

**15.10.2004** Department explained that M/S Hafiz Arshad and Brothers being the contractor of Police Department for supply of uniform was not required to pay income tax @ 3% instead of 5%.

Audit was not satisfied with the contention of the Department and requested to produce the relevant record.

The Committee directed the Administrative Department to produce the record for verification and the para was kept pending.

**14.4.2005** The Department explained that the complete recovery had been effected and deposited into Government Treasury.

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

**147.            Para No.77 Page 59 of Audit Report for the year 1998-99; Loss of Rs.846,335/- Due To Improper Control Over Property Owned By The Jail Department.**

**6.5.2004** Audit had pointed out non-recovery of rent charges of a hall @ Rs.5,000/- per month, plus labour charges @ Rs.12 per worker per day.

The Department explained that the recovery was outstanding against M/s RGA and the matter was pending with DCO Lahore for recovery as arrears of land revenue. Meanwhile, the company had given a legal notice to the Prisons Department claiming damages to the tune of Rs.70 lacs.

The Committee directed the Department to expedite recovery and report to PAC within 3 months.

The para was kept pending.

**14.10.2004** The Department explained that in compliance with PAC directions given in its meeting held on 6-8 May 2004, the matter for recovery as arrears of land revenue had been taken with DCO, Lahore; and, Additional Superintendent, Central Jail, Lahore was specially deputed to expedite the matter.

The Committee directed the Department to pursue the case vigorously with EDO (Revenue) Lahore.

The para was kept pending.

**13.4.2005** The Department explained that matters were being pursued to effect recovery.

The Department was directed to expedite the recovery and **para was kept pending.**

**148. Para No.78 Page 60 of Audit Report for the year 1998-99; Recovery of Rs.763,204/- purchase of various items on higher rates as compared to approved rates.**

**8.5.2004** Audit had pointed out that various articles were purchased at higher rates instead of making such purchases at the risk and cost of the contractors in the event of default.

The Department explaining the position regarding three items stated that the contractors did not continue supply of tea leaves and vegetable ghee beyond 30.6.1997 and purchases had to be arranged locally. As for atta, it was stated that security deposit of the contractor amounting to Rs.50,000/- was forfeited on his failure to complete the contract. Later, local purchase was made at rates lesser than contract rates.

Audit observed that local purchase was made even before completion of financial year.

The Committee directed the Department to look into this matter again.

The para was kept pending.

**14.10.2004** The Department explained that original contractor was not able to supply Tea Leaves, Wheat Atta and Vegetable Ghee and his security/earnest money was forfeited.

However, local purchase was made in all above cases after observing codal formalities.

The Audit contented that Department should recover the loss from defaulters as in case of default purchase was to made at the risk and cost of the contractors.

The Committee directed the Department to take necessary action to make good the loss.

The para was kept pending.

**13.4.2005** The Department explained that efforts were being made to effect recovery.

The Department was directed to get the recovery effected through revenue Department as an arrears of land revenue at the earliest and **para was kept pending.**

**149. Para No.79 Page 60 of Audit Report for the year 1998-99; Recovery of Rs.424,000/- On Account of Account of Irregular Appointment of A.S.I.**

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**7.5.2004** The Department explained that Mr. Tafazzal Hussain was appointed as ASI after grant of age and qualification relaxation by the Chief Minister vide order dated 8-8-1988. The Department further stated the Chief Executive of the Province had powers to relax all rules.

Finance Department observed that in view of Cabinet decision dated 10.9.1999, qualification could not be relaxed.

The case was pended till 8.5.2004 with the direction that the Department should show the requisite record/summary on the subject. The case was again taken up on 8.5.2004 and the relevant record was shown to the Committee.

The Committee was satisfied with the explanation of the Department and **settled the para.**

**150. Para No.80 Page 61 of Audit Report for the year 1998-99; Recovery of Rs.391,333/- on account of excess payment at higher rates to the contractor.**

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**8.5.2004** Audit had pointed out that dietary articles including milk, beef and sugar were purchased at exorbitant rates.

The Department explained that as a result of default by the original contractors, their security deposits were forfeited and purchase of milk and beef was locally arranged. Similarly sugar was also purchased after observing codal formalities.

Finance Department observed that perusal of the provisions of the agreement was necessary to determine whether local purchase was required to be made on the risk and cost of the original contractors or otherwise.

The Administrative Department stated that it would look into the requisite details.

The Committee kept the para pending.

**14.10.2004** The Department explained that original contractor for supply of Milk, Beef and Sugar was not able to supply the said items and his security deposit was forfeited. The said items were subsequently purchased on revised rates after approval of the competent authority.

Audit contented that as per agreement, purchase was to be made at the risk & cost of the original contractor.

The Committee directed to department to take necessary action to make good the loss.

The para was kept pending.

**13.4.2005** The Department explained that efforts were being made to effect recovery.

The Department was directed to get the recovery effected through revenue Department as an arrears of land revenue at the earliest and **para was kept pending**.

**151. Para No.81 Page 61 of Audit Report for the year 1998-99; Non Deposit of Government Receipt Amounting To Rs.380,000/-.**

**6.5.2004** Audit had pointed out that the Government had sustained loss to the stated extent due to non deposit of canteen rent into government treasury.

The Department explained that entire amount had been recovered and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**152. Para No.82 Pages 61 & 62 of Audit Report for the year 1998-99; Non Deposit of Canteen Rent of Rs.335,841/- Into Government Account.**

**6.5.2004** Audit had pointed out that the Government had sustained loss to the stated extent due to non deposit of canteen rent into government treasury.

The Department explained that entire amount had been recovered and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**153.            Para No.83 Page 62 of Audit Report for the year 1998-99; Recovery of Rs.268,305/- due to purchase of fire wood at excessive rates.**

**8.5.2004**        Audit had pointed out that fire wood was purchased at higher rates than local market rates and that the recommendation of purchase committee for negotiations was also ignored.

The department explained that the recovery calculated by audit was merely hypothetical because it had compared rates of 1996-97 i.e. Rs.2.50 per Kg with rates of 1997-98 and 1998-1999 @ Rs.1.97 per kg. Firewood was purchased through advertisement in national press after observing all codal formalities/holding negotiations with the parties participating in the tender.

The Committee accepted the explanation of the department and **settled the para.**

**154.            Para No.84 Page 62 of Audit Report for the year 1998-99; Recovery of Risk Purchase Rs.245,683/-.**

**14.10.2004**    Audit had pointed out that certain contractors failed to supply dietary articles which resulted in loss to the government.

The Department explained that an inquiry was conducted into the matter; and it was hold that no risk purchase was involved. The contractor had defaulted during the year 1996-97 and his security had been forfeited. Moreover, local purchases were made during 1997-98 on competitive rates after observing codal formalities.

Audit contented that purchases should have made at the risk and cost of original contractor.

The Committee directed the Department to recover the loss at the earliest.

The para was kept pending.

**13.4.2005** The Department explained that efforts were being made to effect recovery.

The Department was directed to get the recovery effected through revenue Department as an arrears of land revenue at the earliest and **para was kept pending.**

**155. Para No.85 Pages 62 & 63 of Audit Report for the year 1998-99; Recovery of Rs.239,922/- Due To Mis-use of Government Vehicles.**

**7.5.2004** The Department explained that the journey was performed for official duty and necessary entries were signed and authenticated in the log books by the concerned officers/officials using the vehicles.

On the recommendation of audit, **the Committee settled the para.**

**156. Para No.86 Page 63 of Audit Report for the year 1998-99; Recovery of Factory Rent Amounting To Rs.233,931/- From Supplier.**

**6.5.2004** The Department explained that an amount of Rs.52,264/- had since been recovered and deposited into Government treasury. DCO Lahore had been approached for the recovery of balance amount as arrears of land revenue.

The Committee directed the Department to expedite the recovery and report to PAC within three months.

The para was kept pending.

**14.10.2004** The Department explained that in compliance with PAC directions given in its meeting held on 6-8 May 2004, the matter for recovery as arrears of land revenue had been taken with DCO, Lahore; and, Additional Superintendent, Central Jail, Lahore was specially deputed to expedite the matter.

The Committee directed the Department to pursue the case vigorously with EDO (Revenue) Lahore.

The para was kept pending.

**13.4.2005** The Department explained that matters were being pursued to effect recovery.

The Department was directed to expedite the recovery and **para was kept pending.**



**157. Para No.87 Page 63 of Audit Report for the year 1998-99; Loss Of Rs.223,290/- Due To Non Return of Government Revolvers by the Outgoing Police Officers.**

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**7.5.2004** The Department explained that the Government revolvers had been taken back from the police officers transferred to other districts and necessary entries were made in the stock register.

On the recommendation of audit, **the Committee settled the para.**

**158. Para No.88 Page 64 of Audit Report for the year 1998-99; Recovery of Rs.210,591/- Due to Defective Maintenance of Log Books.**

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**14.4.2005** The Department explained that complete recovery had been effected and verified by Audit.

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

**159. Para No.89 Page 64 & 65 of Audit Report for the year 1998-99; Recovery of Rs.187,200/- Due To Irregular Use of Air Conditioner And Non Recovery of Electricity And Sui Gas Charges Utilized In Jail Colony From Government Connection.**

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**6.5.2004** The Department explained that air conditioner was installed in Superintendent's room to ensure proper functioning of computer and fax machine as per rules. Regarding recovery of utilities it was stated that Rs.201962/- had been adjusted in the electricity bill for the month of 9/2000. However, during 1997-98, Suigas was only installed in the jail and not in the quarters.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**14.10.2004** The Department explained that in compliance with the directions of PAC given in its meeting held on 6-8 May 2004, relevant record had been produced to audit and recovery amounting to Rs.201,962/- had already been effected.

Audit informed the Committee that recovery effected was not relevant to the subject para. Contention, therefore, was not acceptable.

The Committee showed its displeasure over misleading by the department; and directed to effect recovery at the earliest and fix responsibility for provision of misleading information to PAC.

The para was kept pending.

**13.4.2005** The Department explained that efforts were being made to effect recovery.

The Department was directed to expedite balance recovery and **para was settled subject to verification of relevant record by Audit.**

**160. Para No.90 Page 65 of Audit Report for the year 1998-99; Recovery of Rs.186,045/- due To Unauthorized Payment.**

**6.5.2004** Audit had pointed out that Inspector General of Prisons Punjab had allowed enhancement of rate of atta vide memos dated 10.12.1996 and 24.6.1997 but the payment was allowed from earlier dates.

The Department explained that rates of atta were increased with effect from some previous dates by the Government and as per condition 17 of the agreement, the department was bound to give the benefit of enhanced rate to the contractor from the date, the same were increased by the Government.

On the recommendation of audit, **the Committee settled the para.**

**161. Para No.92 Page 66 of Audit Report for the year 1998-99; Recovery of Six (6) Nos of Revolvers Costing Rs.166,196/-.**

**15.10.2004** Department explained that remaining store including 6 revolvers had since been received and accounted for in the stock.

Audit desired to verify the contention of the Department with record.

The Committee settled the para subject to verification of record by Audit.

**14.4.2005** The Department explained that recovery of Rs.46,046/- on account of six missing revolvers had been effected and verified by Audit.

The Department was directed to justify the recovery of Rs.46,046/- instead of Rs.166,196/- and **para was settled subject to verification of the contention of the Department.**

**162. Para No.93 Page 66 of Audit Report for the year 1998-99; Recovery of Rs.120,000/- On Account of Un-Authorised Use of Government Vehicle.**

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**7.5.2004** The Department contended that the vehicles were detailed for daily patrolling in city area for the maintenance of law and order. Necessary entries had been recorded in the relevant log books. It was added that police escort accompanied the prisoners to various places which had resulted in extra expenditure.

The Committee accepted the explanation of the department and **settled the para.**  
**163. Para No.94 Pages 66 & 67 of Audit Report for the year 1998-99; Recovery of Rs.108,355/- on Account of Loss Due to Shortage of Miscellaneous Store.**

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**14.4.2005** The Audit had pointed out that Government sustained loss due to shortage of miscellaneous store items.

The Department explained that the matter was enquired by the DSP/HQ who concluded that recovery of Rs.10,370/- on account of shortage/missing articles had been effected and deposited into Government Treasury.

The Department was directed to get the inquiry report vetted by the SP Rahim Yar Khan and to produce the requisite record to Audit for verification and **para was kept pending.**

**164. Para No.95 Page 67 of Audit Report for the year 1998-99; Recovery of Rs.85,108/- Due to Non Accountal of POL.**

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**14.4.2005** The Audit pointed out that amount was drawn from Government Treasury on account of POL but the same was not entered in the logbooks.

The Department explained that out of Rs.85,108/-, recovery of Rs.60,289/- had been effected and verified by Audit and entries regarding the remaining POL valuing Rs.24,819/- were available in logbooks.

The Department was directed to produce the requisite logbooks along with vouchers for verification by Audit and **para was settled subject to verification of relevant record by Audit.**

**165. Para No.96 Page 67 of Audit Report for the year 1998-99; Recovery of Rs.80,000/- on Account of Non Receipt of Stationery.**

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**14.4.2005** The Department explained that the requisite record had been verified by Audit.

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

**166. Para No.97 Page 68 of Audit Report for the year 1998-99; Recovery of Rs.77,400/- On Account of Irregular Payment of Electricity.**

**7.5.2004** The Department explained that Mr. Nasir Khan Durrani, the then SSP, Gujranwala had been asked to deposit the said amount.

The Committee directed that the Department should effect the recovery within 60 days.

The para was kept pending.

**15.10.2004** The Department explained that due to extreme sectarian problems and assassination of Mr. Ashraf Marth, SSP Gujranwala the law and order situation was worse. In these circumstances the entire police had to work round the clock, at the official residential accommodation of the then SSP Gujranwala. Therefore, electricity and telephone was used in discharging of official duties.

The Committee accepted the Departmental contention and **settled the para.**

**167. Para No.99 Pages 68 & 69 of Audit Report for the year 1998-99; Recovery of Rs.65,178/- on account of undue possession of government residential quarter.**

**8.5.2004** Audit had pointed out that the family of deceased Assistant Superintendent Jail had unauthorizedly occupied Government accommodation beyond maximum period of 120 days.

The Department explained that family of deceased Mr. Akram-Ullah Kahn (ASJ) was entitled to retain Government residence for five years from the date of his death i.e. 16-9-1992 in the light of rule 22 of the allotment policy issued by S&GAD. The Department, however, admitted that retention of Government accommodation had taken place prior to issue of the said policy.

The Committee kept the para pending for regularization of period of unauthorized occupation by the competent authority.

**14.10.2004** The Department explained that in compliance with the directions of PAC given in its meeting held on 6-8 May 2004, the case for regularization of the period of unauthorized occupation had been referred to competent authority.

The para was conditionally settled subject to regularization by the competent authority.

**13.4.2005** The Department explained that Mr Ikram Ullah Khan A.S.J of District Jail, Lahore was murdered on 16.09.1992 while the deceased was on his way to District Jail, Lahore, leaving behind two minor children and one widow. Government of the Punjab, Home Department time to time allowed retention of official accommodation to bereaved family. As per Rule -22 of the Allotment Policy issued by the S&GAD, widow was entitled to retain official accommodation for 5 years. As such no penal rent was involved.

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

**168. Para No.100 Page 69 of Audit Report for the year 1998-99; Recovery of Rs.60,343/- Due to Non Accountal of POL.**

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**14.4.2005** The Department explained that the requisite record had been verified by Audit.

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

**169. Para No.101 Page 69 of Audit Report for the year 1998-99; Recovery of Rs.60,486/- on Account of Undue Retention of Government Residential Quarters.**

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**14.10.2004** The Department explained that rent free accommodation was admissible to Mr Khadim Hussain under the rules and in case of Mr Muhammad Nasir, the said official was re-instated by PST the intervening period was treated on leave and in the light of orders of the court, no penal rent was involved.

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

**170. Para No.102 Page 70 of Audit Report for the year 1998-99; Non Accountal of Store Worth Rs.64,857/-.**

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**7.5.2004** The Department explained that entries of all articles made in the stock register were available for verification.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**14.10.2004** The Department explained that in compliance with PAC direction given in its meeting held on 6-8 May 2004, the relevant record had been verified by Audit.

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

**171. Para No.103 Page 70 of Audit Report for the year 1998-99; Recovery of Rs.52,164/- on account of house rent allowance.**

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**8.5.2004** The Department explained that as per rules rent free accommodation was admissible to the jail staff. The Department further stated that 7 quarters remained occupied by the families of the officials who were transferred, whereas six quarters were occupied by the officials due to non availability of proper accommodation. The remaining one quarter was allotted to the Electrician of Buildings Department, who performed round the clock duty in the Jail. Deduction of house rent allowance from his salary had been certified by the XEN concerned. In view of aforesaid explanation, no recovery was involved.

The Administrative Department observed that it would look into such cases and recovery, where leviable, would be effected.

The Committee directed the department to effect recovery as per rules.

The para was kept pending.

**14.10.2004** The Department explained that rent free accommodation was admissible to the Jail Staff as per rules. As such no recovery was due. It was added that para of similar matter had been settled by the PAC in past.

The Committee accepted the departmental reply and **the para was settled.**

**172. Para No.104 Pages 70 & 71 of Audit Report for the year 1998-99; Recovery of Rs.50,000/- Due To Non Deposit Of Auction Money of Wheat Bhosa**

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**8.5.2004** The Department explained that quantity of wheat husk was 51120 Kg, instead of 40000 Kg. Cost of 34000 Kg husk @ Rs.51/- per 40 Kg had been deposited into Government treasury. Remaining 17120 Kg husk was used for mud plastering on the orders of the competent authority.



The Committee conditionally settled the para subject to verification of relevant record by audit.

**14.10.2004** The Department explained that record pertaining to the orders of competent authority for supply of Bhoosa/hush to District Jail Muzaffargarh, had been produced for verification.

However, audit contended that record in respect of 13120 KG Bhoosa/Hush should also be produced.

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

**13.4.2005** The Department explained that the relevant record had been verified by Audit.

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

**173.            Para No.105 Page 71 of Audit Report for the year 1998-99; Recovery of Rs.48,000/- On Account of Private Use of Sui Gas.**

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**8.5.2004** The Department explained that recovery to the extent of Rs.24,000/- was not due as no gas was provided to canteen during 1996-97 whereas remaining amount of Rs.24,000/- had been recovered.

Audit desired that necessary proof regarding non-supply of gas be provided.

The Committee directed the Department to produce relevant record to audit for verification.

The para was kept pending.

**15.10.2004** The Department explained that recovery of Rs.24,000/- already effected had been got verified by Audit and necessary documents regarding non-supply of Sui Gas have also been produced to Audit for verification.

Audit verified the departmental contention and the **para was accordingly settled.**

**174.            Para No.106 Page 71 of Audit Report for the year 1998-99; Recovery of Rs.38,547/- On Account of Cost of Uniform And Hand Cuffs.**

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**8.5.2004** The Department explained that a sum of Rs.7,665/- on account of handcuffs had



been effected whereas most of the handcuffs had been recovered and deposited into the store. The uniform articles had also been recovered from concerned officials and deposited.

The Committee kept the para pending and directed the department to expedite balance recovery.

**15.10.2004** The Department explained that in compliance of the PAC directions given in its meeting held on 6-8.5.2004, 33 handcuffs and uniform articles had been recovered and deposited in the store.

The Committee kept the para pending for balance recovery and production of relevant record to Audit for verification.

**14.4.2005** The Audit observed that the Department could not be justified its contention and relevant record did not produce for verification.

The Department was directed to produce the requisite record to Audit for verification and **para was kept pending.**

**175.            Para No.107 Page 72 of Audit Report for the year 1998-99; Recovery of Rs.37,495/- Due to Non Accountal of POL.**

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**15.10.2004** Department explained that all the entries of POL purchased did exist in stock register which can be verified.

Audit pointed out that neither stock register nor any record was produced to Audit for verification.

The Committee directed the Department to produce the relevant record to Audit and the para was kept pending.

**14.4.2005** The Department explained that the entries of POL valuing Rs.21,655/- had been verified by Audit from the logbooks of the different vehicles leaving a balance of Rs.24,840/-.

The Department was directed to get the requisite record verified by Audit within two months or to effect recovery of Rs.24,840/- from the responsible and **para was kept pending.**

**176.            Para No.108 Page 72 of Audit Report for the year 1998-99; Recovery of Rs.36,330/- Due to Double Drawal of POL.**

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**14.4.2005** The Department explained that complete recovery had been effected and verified by Audit.

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

**177. Para No.109 Pages 72 & 73 of Audit Report for the year 1998-99; Recovery of POL charges of Rs.28,710/- due To Un-Authorised Use of Government Vehicle.**

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**8.5.2004** Audit had pointed out that Government vehicle was used by P.S. to IG Police Punjab (BS-16) although he was not entitled to free use of the Government vehicle.

The Department explained that the vehicle was allotted to the Private Secretary by the competent authority for performing official duty, keeping in view IG Police's Standing Order No.20.

Finance Department observed that no doubt log books showed that vehicle was used for official duty, however, it was for the department to determine whether allocation was covered under the rules or not.

The Committee directed that the department should look into the matter in the light of observations made by Finance Department and also to maintain log books in the light of the rules on the subject.

The para was kept pending.

**15.10.2004** Department explained that the vehicle was allotted to the Private Secretary to IG Police under the standing instructions. However, in future the vehicle would not be provided to unauthorized officials except with the approval of competent authority.

The Committee accepted the departmental contention and the **para was settled.**

**178. Para No.110 Page 73 of Audit Report for the year 1998-99; Irregular Remittance Of Canteen Rent Amounting To Rs.955,000/- Into a Private Fund.**

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**6.5.2004** Audit had pointed out that the Government had sustained loss to the stated extent due to non deposit of canteen rent into government treasury.

The Department explained that entire amount had been recovered and deposited into Government treasury.

On the recommendation of audit, **the Committee settled the para.**

**179.            Para No.111.1 Pages 74 & 75 of Audit Report for the year 1998-99; Recovery of Rs.710,056/- Due to Irregular Expenditure By Not Showing Relevant Record.**

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Superintendent New Central Jail, Multan – Rs.338,990/-

**8.5.2004**        Audit had pointed out that verification of the articles purchased and consumption thereof was not produced.

The Department explained that expenditure incurred on fertilizer and seeds was quite justified in view of net profit of Rs.1,206,436/- accruing to the Government. The relevant record was available for verification.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**14.10.2004**    The Department explained that as per directions of PAC given in its meeting held on 6-8 May 2004, relevant record showing the requisite yield had been produced to audit for verification.

On verification and recommendation of audit, **the para was settled.**

**180.            Para No.111.3.**

Superintendent of Police, Attock – Rs.60,727/-

**7.5.2004**        Audit admitted that the instant para was the repetition of para No.14.6 contained in the audit report of 1998-99 and that stock entries had been verified. The audit recommended the para for settlement.

The **Committee, therefore, settled the para.**

**181.            Para No.111.4.**

Central Jail Mianwali-Rs.77,199/-.

**8.5.2004**        The Department stated that stock entries had been made in the register and articles were consumed as per indents. The relevant record was available for verification.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**14.10.2004** The Department explained that as per directions of PAC given in its meeting held on 6-8 May 2004, original record had been produced to audit for verification.

On verification of departmental contention by audit, **the para was settled.**

**182. Para No.112 Pages 75 & 76 of Audit Report for the year 1998-99; Non-Existence of Monitoring System in Maintenance of Accounts And Non-Production of Record.**

**7.5.2004** Audit had pointed out that the maintenance of accounts system of the office was in deplorable condition and that the record for the period from 1995 to 1997 was not produced.

The Department explained that audit for the period 1995-97 had already been conducted by the audit party of DG Audit Punjab and audit report in this connection had already been received.

On the recommendation of audit, **the Committee settled the para.**

**183. Para No.113.2 Pages 77 & 78 of Audit Report for the year 1998-99; Loss to Government Due To Non Auction Of Unserviceable/ Condemned Vehicles Costing Rs.46,295,680/-.**

Superintendent of Police M.T (Pb.), Lahore – Rs.35,970,680/-

**8.5.2004** The Department explained that entire amount had been deposited into Government treasury after auction of condemned/unserviceable vehicles.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**15.10.2004** The Department explained that all the condemned vehicles had been disposed off and the sale proceed had been deposited into Government treasury.

The para was settled subject to verification of record.

**14.4.2005** The Department explained that the requisite record had been verified by Audit.

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

**184.           Para No.113.3.**

Sr. Superintendent of Police, G/Wala – Rs.775,000/-

**8.5.2004**       The Department explained that vehicles in question and one motor cycle had been handed over to MT workshop on 17-1-2002 for auction whereas two motor cycles were not included in the departmental list. However, ambulance was being used by the department after repair.

The Committee conditionally settled the para subject to verification of relevant record by audit.

**15.10.2004**    The Department explained that condemned motor cycles had since been deposited with M.T Workshop while the ambulance bearing registration No. GAE/5182 was still in working condition. The record was available for verification.

The Committee directed for verification of the record by Audit and **para was kept pending.**

**185.           Para No.113.4.**

S. P. Khanewal-Rs.370,000/-.

**14.4.2005**       The Audit had pointed out that Government sustained loss due to no auction of condemned vehicles.

The Department explained that condemned vehicles had been auctioned.

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

**186.           Para No.114 Page 78 of Audit Report for the year 1998-99; Loss of Rs.825,000/- Due to Destruction of Government Vehicles.**

**15.10.2004**    Department explained that pick-up No. LOT-4026 was burnt by the terrorists during the maintenance of law & order duties. A criminal case vide FIR No.14/81 had been registered against the unknown accused and an inquiry was conducted into the matter to determine negligence of the staff. The Inquiry Committee has recommended for write off loss under the rules.

The Committee kept the para pending till write off sanction by the Finance Department.

**14.4.2005** The Department explained write off cases had been sent to Finance Department and decisions were awaited.

The Department was directed to pursue the write off case vigorously for early finalization and **para was kept pending.**

**187. Para No.115 Page 79 of Audit Report for the year 1998-99; Recovery Of Rs.404,383/- Due To Un-due Retention of Government Revenue Amounting To Rs.16,400,000/- At Penal Rate.**

**8.5.2004** Audit had pointed out that amount realized after auction of Government vehicles was retained in contravention of rules.

The Department explained that on the directions of the Chief Minister regarding purchase of 27 pick ups against auction money, the amount was retained into “non interest bearing account”. Later, the proposal for the said purchase was not approved by the competent authority and on receipt of directions of Finance Department the amount was deposited into Government treasury on 30-6-1997. However, case had been referred to the Finance Department for regularization.

Finance Department observed that the case was under examination and the Police Department had been asked to clarify certain points.

The para was kept pending.

**15.10.2004** The Department explained that the regularization case was still under consideration with the Finance Department. The Committee settled the para subject to regularization by the Finance Department. It was directed that the Department may take action against the DDOs for retention of Government money against the rules.

**14.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to expedite the regularization case and **para was kept pending.**

**188. Para No.116 Pages 79 & 80 of Audit Report for the year 1998-99;**

## **Non Auction of Canteen and Deposit of Rs.110,200/- Into Private Account.**

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**8.5.2004** The Department informed the Committee that the instant para was identical to para 75.4 of the present report for the year 1998-99 and stated that the rent of the canteen built in Government premises was assessed @ Rs.9,500/- p.m. by the Buildings Department. Since the canteen was actually constructed from the Police Welfare Fund and not from Government fund, therefore, a private account in the name of Police canteen was opened in the Bank. Initially rent of canteen was fixed @ Rs.9,500/- but since the canteen was going into loss, the rent was gradually reduced to Rs.6,050/- p.m. Meanwhile, 20% of the total amount of annual canteen rent i. e. Rs.22,040/- was deposited into Government treasury. The utility charges of Rs.18,604/- were paid out of canteen rent.

Finance Department observed that entire lease money was required to be deposited into government treasury or in the alternative, sanction from competent forum was required.

The Committee referring to its decision in respect of para 75.4, directed that the department should look into the matter again and produce relevant record/documents to audit.

The para was kept pending till next meeting.

**15.10.2004** The Department took the plea that identical para No.162.17 for the year 1999-2000 of DPO Gujranwala was settled in PAC-II held on 28.8.2004. The Department further explained that as per directions of the Committee, rent assessed by the building department had been deposited into Government treasury.

The Committee accepted the explanation of the Department and **settled the para subject to verification of Assessment Certificate issued by the Building Department/XEN Provincial Works.**

**189.            Para No.117 Page 80 of Audit Report for the year 1998-99; Recovery of Rs.37,500/- Due To Non Auction of Canteen and Cycle Stand.**

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**8.5.2004** The Department stated that in the wake of escape of dangerous prisoners from the Jail, on the directions of the local administration the premises was sealed. The canteen remained closed and auction of cycle stand was also not made as security arrangements had precedence over everything else. After revamping of security arrangements, canteen was auctioned in April 1998.

The Committee accepted the explanation of the department and **settled the para.**



**190.            Para No.118 Pages 80 & 81 of Audit Report for the year 1998-99; Recovery of Rs.34,694/- Due to Non Auction of Empty Ghee Tins And Empty Bags.**

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**8.5.2004**        The department explained that the sale proceeds of auctioned empty tins and bags to the tune of Rs.32229/- had been deposited into Government treasury.

The Committee accepted the explanation the department and **settled the para.**

**General Observations**

**13.10.2004**    Addl. Secretary Home apprised the Committee that Secretary Home had been called for by the Chief Minister, Punjab, therefore, he was representing Home Department on his behalf.

The Committee took serious notice and showed its displeasure with the direction that Principal Accounting Officer of Home Department and Police Department should invariably appear to represent their department on 14.10.2004 and the meeting was adjourned.

**14.10.2004**    Additional Secretary, Home Department informed the Committee that in view of Law and Order situation, Secretary Home could not attend the meeting and requested for leave of absence.

The Committee took serious notice of the absence of Administrative Secretary. He was required to attend the meeting personally in his capacity as Principal Accounting Officer.

The Committee accepted his leave of absence and directed that Home Secretary should ensure his presence in the next meetings.

The Committee examined the Accounts of the Housing, Urban Dev. & Public Health Engineering Department in its meetings held on 6.11.2003, 7.11.2003, 8.11.2003, 4.10.2004, 5.10.2004, 6.10.2004, 13.10.2004 & 15.4.2005 and made the following recommendations:-

### **Audit Paras (Works) for the year 1998-99**

#### **1. Para No.1 Pages 7 & 8 of Audit Report for the year 1998-99; Misappropriation of Rs.436,952/-**

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**6.10.2004** Audit had pointed out that disregard to approved specification for PCC streets in technically sanctioned estimate resulted in doubtful payment/misappropriation.

The Department explained that as per the findings of an inquiry held into the matter, earth filling was not done by the contractor because the work was done by the local people themselves on self help basis. Hence, the said quantity was not measured and paid to the contractor and Government money was rather saved.

On the statement of the Secretary that no doubtful payment was involved, the **Committee settled the para.**

#### **2. Para No.2 Page 8 of Audit Report for the year 1998-99; Misappropriation of Rs.137,735/-**

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**6.10.2004** Audit had pointed out that disregard to work already executed at site had resulted in unjustified payment and misappropriation.

The Department explained that as per an inquiry conducted into the matter, the work of construction of collecting sump existed in TS estimate. Audit had misunderstood difference of structure of Overhead Reservoirs and collecting sump as the former was constructed above ground level whereas the latter was constructed underground for storage of water at spring site which was necessary component according to guidelines of PHE Department. Thus payment made was justified and no misappropriation had taken place.

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

#### **3. Para No.3 Page 9 of Audit Report for the year 1998-99; Misappropriation of Rs.169,747/-.**

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**6.10.2004** Audit had pointed out that measurement of excessive width of corresponding items of

work had resulted in unjustified payment to the contractor.

The Department explained that as per findings of a probe made into the matter, 822 Rft. Nullah was actually constructed against a provision of 1000 Rft. in TS estimate. However, entries of breadth were erroneously made in depth column and vice versa.

The para was kept pending for producing record to Audit for verification.

**15.4.2005** The Department explained that as a result of verification of the requisite record, the departmental contention had been accepted and verified by Audit.

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

#### **4. Para No.4 Pages 9 & 10 of Audit Report for the year 1998-99; Misappropriation of Rs.293,147/-**

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**6.10.2004** Audit had pointed out that measurement of drain and brick pavement without mention of location had resulted in unjustified payment to the contractor.

The Department explained that as per an inquiry held into the matter, payments had been made according to provisions of revised TS estimate as per site requirement and reference/exact location was mentioned in MB No.504/339.

Finance Department observed that site of the schemes in the requisite documents should be clearly indicated.

The Committee observed that the field formations of the Department should remain careful in future.

With the above observation, **the para was settled.**

#### **5. Para No.5 Pages 10 & 11 of Audit Report for the year 1998-99; Misappropriation of Rs.395,374/-**

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**6.10.2004** Audit had pointed out that disregard to approved specifications for pipe had resulted in substandard work and misappropriation.

The Department explained that provision for AC pipe existed in TS estimate. However, while inviting tenders, rates in DNIT for AC pipe and PVC pipe both were invited. The contractor quoted rate for PVC pipe, which keeping in view saline condition, was approved by competent authority. There was no difference in the price of two types of pipes. Actually both types of pipes could be used. The schemes was completed within the provisions of estimated cost and no loss had

occurred to Government.

Audit stated that it had no objection for the settlement of the para.

The para was accordingly settled.

**6. Para No.6 Page 11 of Audit Report for the year 1998-99;  
Misappropriation of Rs.1,404,996/-.**

**7.11.2003** The Audit had pointed out that the authority failed to recover cost of excess area of shops/plots as required under the rules. Non observance of contractual provision resulted in misappropriation of Rs.1,404,996/-

The Department explained that 91.82% recovery had been effected and strenuous efforts were being made to recover the balance amount of Rs.114,000/-.

The Committee settled the para subject to recovery of balance amount and its verification by the Audit.

**4.10.2004** The Department explained that record pertaining to recovery was produced to audit for verification which did not accept photo copies and insisted for verification from original record which was in huge quantity and could not be brought from Faisalabad office.

The Committee observed that Audit should depute an officer to visit Faisalabad for verification of original record.

The above para was settled subject to verification of recovery effected by audit and balance recovery, if any.

**15.4.2005** The Department explained that the complete recovery had been effected.

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

**7. Para No.7 Pages 11 & 12 of Audit Report for the year 1998-99;  
Misappropriation of Rs.3,222,061/-.**

**8.11.2003** The Audit had pointed out that WASA paid compensation to the Contractor on account of loss claimed by him for providing and laying of 72" dia sewer line as the route approved by the Consultant was not shown while inviting tenders but at the time of execution of work revised route was not found feasible and work was carried out according to the original route. The change of route of work resulted in misappropriation of Rs. 3,222,061/-.

The Department explained that the matter had already been referred to NAB for

appropriate action The Department further explained that the Secretary HUD&PHE had been requested by WASA, Faisalabad Development Authority vide letter No. 58/MD/WASA dated 15.1.2002 that the revision of PC-I and T.S estimate be withheld/deferred till its clearance by NAB/ Anti Corruption Establishment.

The Committee decided to keep the para pending till the decision of NAB.

**4.10.2004** Since the matter was pending with NAB authorities, the para was kept pending.

**15.4.2005** The Department explained that the complete recovery had been effected.

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

### **8. Para No.8 Pages 12 & 13 of Audit Report for the year 1998-99; Misappropriation of Rs.178,948/-.**

**8.11.2003** The Audit had observed that WASA (FDA) made payment for PVC Tapered specials etc. instead of fixing socket free of cost as per bid. This resulted in misappropriation of Rs.178,948/-.

The Department explained that the item was covered in the revised T.S Estimate.

The Audit, however, pointed out that the T.S had been revised only to cover the irregularity.

The Committee directed that the expenditure may be got regularized by the Finance Department.

The para was kept pending.

**4.10.2004** The Department explaining the latest position of the case stated that as per minutes of DDSC meeting dated 17.5.2004, the scheme of improvement of water supply in Chak 224/RB stood approved. The matter for regularization of expenditure was being pursued.

The Committee kept the para pending for regularization and finalization.

**15.4.2005** The Department explained that PC-I of the scheme “improvement of water supply line in Chak No. 224/RB Faisalabad” stood approved by the competent authority and no irregularity/ loss was involved.

**The para was settled subject to verification of departmental contention /relevant record by Audit.**

### **9. Para No.9 Page 13 of Audit Report for the year 1998-99;**

### **Misappropriation of Rs.4,590,000/-.**

**8.11.2003** The Audit had pointed out that WASA failed to recover the amount of Rs.4,590,000/- paid to a contractor as secured advance.

The Department explained that the secured advance had been adjusted.

The Audit commented that all the relevant record had been verified and recommended the para for settlement.

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

### **10. Para No.10 Pages 13 & 14 of Audit Report for the year 1998-99; Misappropriation of Rs.454,800/-.**

**7.11.2003** The Audit had pointed out that water charges for supply of water to the consumers through tanks at the prescribed rates had not been recovered.

The Department explained that the water through tanks was supplied to the consumers during failure of water supply through pipe lines. As the Department was bound to supply water at flat rate no additional charges were made for supply of water through tanks in case of failure of water supply through pipe lines.

The Audit stated in the meeting that the departmental contention had been verified.

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

### **11. Para No.11 Page 14 of Audit Report for the year 1998-99; Misappropriation of Rs.1,025,616/-.**

**7.11.2003** The Audit observed that the Authority made repair works of tube-wells and rewinding of motors etc. but the replaced/old material was not taken on the stock register. This non-accountal of old material resulted in misappropriation of Rs.1,025,616/-

The Department stated in the meeting that the dismantle material was traded with the contractor and its cost was deducted from the bills of the contractor.

The Department was directed to get the record verified by Audit. The para was kept pending.

**4.10.2004** Audit stated that the record had been verified.



The para was settled accordingly.

**12. Para No.12 Page 15 of Audit Report for the year 1998-99; Non-realization of Insurance Claim-Rs.20,000,000/-.**

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**8.11.2003** The Audit had pointed out that T&S Directorate WASA FDA failed to recover the insurance claim against the destruction of the machinery in riots/fire on 2 December 1999. Non recovery of insurance resulted in loss of Rs.20,000,000/-.

The Department stated that M/s NIC did not accept agency's claim amounting to Rs.20,000,000/- but the claim was approved for Rs.264,139/- which was not accepted by the agency. WASA took up the matter with the Federal Government who constituted a Committee to settle the dispute and resolve the issue. The Committee did not give hearing to WASA, therefore, WASA had proceeded to make an appeal to the Security Exchange Commission of Pakistan. In the meantime, inquiry had been ordered which was under process with Secretary Regulation, Government of the Punjab.

The Committee directed the Department that the inquiry be completed within 60 days.

The para was kept pending.

**4.10.2004** The Department explained that inquiry into the matter was still under process. Meanwhile, WASA had also lodged an appeal in the court of Federal Ombudsman.

The para was kept pending with the direction to the Department to pursue the matter.

**15.4.2005** The Department explained that Government had initiated disciplinary action, in this mater, by appointing Mr. Asghar Ali Gillani Member inquiry S&GAD as inquiry officer.

The Department was directed to pursue the case vigorously for early finalization and **para was kept pending.**

**13. Para No.13 Page 16 of Audit Report for the year 1998-99; Overpayment of Rs.305,557/-.**

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**5.10.2004** Audit had pointed out that usage of rich specification i.e. 1:3 for brick work laid in reimbursement was not justified in the light of provision of book of specification and violation thereof had resulted in overpayment to contractors.

The Department explained that in most of the work executed there was no deviation from the specification applicable at the time of execution of work and provisions in T.S estimate as the work was executed prior to notification dated 16.3.1998 issued by Chief Engineer (South) in



respect of cement-sand mortar ratio of 1:5 for construction of drains. Chief Engineer (South) argued that in view of greater vehicular traffic in villages, the use of 1:3 ratio was better/durable.

Finance Department observed that change in specification was a procedural irregularity which should be got regularized by competent authority.

After some discussion, the Committee granting one time facility to the Department, settled the para subject to regularization of procedural irregularity by the competent authority.

**15.4.2005** The Department explained that the cases for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to pursue the regularization case vigorously and **para was kept pending**. Time limit of 90 days was given in case Sr. No.(1) & (3).

#### **14. Para No.14 Pages 16 & 17 of Audit Report for the year 1998-99; Overpayment of Rs.256,202/-.**

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**5.10.2004** Audit had pointed out that usage of rich specification i.e. 1:3 for brick work laid in reimbursement was not justified in the light of provision of book of specification and violation thereof had resulted in overpayment to contractors.

The Department explained that in most of the work executed there was no deviation from the specification applicable at the time of execution of work and provisions in T.S estimate as the work was executed prior to notification dated 16.3.1998 issued by Chief Engineer (South) in respect of cement-sand mortar ratio of 1:5 for construction of drains. Chief Engineer (South) argued that in view of greater vehicular traffic in villages, the use of 1:3 ratio was better/durable.

Finance Department observed that change in specification was a procedural irregularity which should be got regularized by competent authority.

After some discussion, the Committee granting one time facility to the Department, settled the para subject to regularization of procedural irregularity by the competent authority.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to pursue the regularization case vigorously and **para was kept pending**. Time limit of 90 days was given.

#### **15. Para No.15 Pages 17 & 18 of Audit Report for the year 1998-99; Overpayment of Rs.172,986/-.**

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**5.10.2004** Audit had pointed out that usage of rich specification i.e. 1:3 for brick work laid in reimbursement was not justified in the light of provision of book of specification and violation thereof had resulted in overpayment to contractors.

The Department explained that in most of the work executed there was no deviation from the specification applicable at the time of execution of work and provisions in T.S estimate as the work was executed prior to notification dated 16.3.1998 issued by Chief Engineer (South) in respect of cement-sand mortar ratio of 1:5 for construction of drains. Chief Engineer (South) argued that in view of greater vehicular traffic in villages, the use of 1:3 ratio was better/durable.

Finance Department observed that change in specification was a procedural irregularity which should be got regularized by competent authority.

After some discussion, the Committee granting one time facility to the Department, settled the para subject to regularization of procedural irregularity by the competent authority.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

#### **16. Para No.16 Page 18 of Audit Report for the year 1998-99; Overpayment of Rs.162,273/-.**

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**5.10.2004** Audit had pointed out that usage of rich specification i.e. 1:3 for brick work laid in reimbursement was not justified in the light of provision of book of specification and violation thereof had resulted in overpayment to contractors.

The Department explained that in most of the work executed there was no deviation from the specification applicable at the time of execution of work and provisions in T.S estimate as the work was executed prior to notification dated 16.3.1998 issued by Chief Engineer (South) in respect of cement-sand mortar ratio of 1:5 for construction of drains. Chief Engineer (South) argued that in view of greater vehicular traffic in villages, the use of 1:3 ratio was better/durable.

Finance Department observed that change in specification was a procedural irregularity which should be got regularized by competent authority.

After some discussion, the Committee granting one time facility to the Department, settled the para subject to regularization of procedural irregularity by the competent authority.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

**17. Para No.17 Pages 18 & 19 of Audit Report for the year 1998-99;  
Overpayment of Rs.159,309/-.**

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**5.10.2004** Audit had pointed out that usage of rich specification i.e. 1:3 for brick work laid in reimbursement was not justified in the light of provision of book of specification and violation thereof had resulted in overpayment to contractors.

The Department explained that in most of the work executed there was no deviation from the specification applicable at the time of execution of work and provisions in T.S estimate as the work was executed prior to notification dated 16.3.1998 issued by Chief Engineer (South) in respect of cement-sand mortar ratio of 1:5 for construction of drains. Chief Engineer (South) argued that in view of greater vehicular traffic in villages, the use of 1:3 ratio was better/durable.

Finance Department observed that change in specification was a procedural irregularity which should be got regularized by competent authority.

After some discussion, the Committee granting one time facility to the Department, settled the para subject to regularization of procedural irregularity by the competent authority.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

The Department was directed to pursue the regularization case vigorously and **para was kept pending.** Time limit of 90 days was given.

**18. Para No.18 Pages 19 & 20 of Audit Report for the year 1998-99;  
Overpayment of Rs.87,937/-.**

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**5.10.2004** Audit had pointed out that usage of rich specification i.e. 1:3 for brick work laid in reimbursement was not justified in the light of provision of book of specification and violation thereof had resulted in overpayment to contractors.

The Department explained that in most of the work executed there was no deviation from the specification applicable at the time of execution of work and provisions in T.S estimate as the work was executed prior to notification dated 16.3.1998 issued by Chief Engineer (South) in respect of cement-sand mortar ratio of 1:5 for construction of drains. Chief Engineer (South) argued

that in view of greater vehicular traffic in villages, the use of 1:3 ratio was better/durable.

Finance Department observed that change in specification was a procedural irregularity which should be got regularized by competent authority.

After some discussion, the Committee granting one time facility to the Department, settled the para subject to regularization of procedural irregularity by the competent authority.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

### **19. Para No.19 Page 20 of Audit Report for the year 1998-99; Overpayment of Rs.51,979/-.**

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**5.10.2004** Audit had pointed out that usage of rich specification i.e. 1:3 for brick work laid in reimbursement was not justified in the light of provision of book of specification and violation thereof had resulted in overpayment to contractors.

The Department explained that in most of the work executed there was no deviation from the specification applicable at the time of execution of work and provisions in T.S estimate as the work was executed prior to notification dated 16.3.1998 issued by Chief Engineer (South) in respect of cement-sand mortar ratio of 1:5 for construction of drains. Chief Engineer (South) argued that in view of greater vehicular traffic in villages, the use of 1:3 ratio was better/durable.

Finance Department observed that change in specification was a procedural irregularity which should be got regularized by competent authority.

After some discussion, the Committee granting one time facility to the Department, settled the para subject to regularization of procedural irregularity by the competent authority.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

### **20. Para No.20 Pages 21 & 22 of Audit Report for the year 1998-99; Overpayment of Rs.220,366/-.**

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**5.10.2004** Audit had pointed out that execution of incorrect item of work had resulted in excess payment to contractors.

The Department explained that the PCC 1:6:12 had been laid under re-imbursement as per specifications prior to masonry work foundation and plinth. As such no overpayment was involved.

Audit stated that as a result of verification of record, departmental explanation was accepted.

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

**21. Para No.21 Pages 21 & 22 of Audit Report for the year 1998-99;  
Overpayment of Rs.125,229/-.**

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**5.10.2004** Audit had pointed out that usage of rich specification i.e. 1:3 for brick work laid in reimbursement was not justified in the light of provision of book of specification and violation thereof had resulted in overpayment to contractors.

The Department explained that in most of the work executed there was no deviation from the specification applicable at the time of execution of work and provisions in T.S estimate as the work was executed prior to notification dated 16.3.1998 issued by Chief Engineer (South) in respect of cement-sand mortar ratio of 1:5 for construction of drains. Chief Engineer (South) argued that in view of greater vehicular traffic in villages, the use of 1:3 ratio was better/durable.

Finance Department observed that change in specification was a procedural irregularity which should be got regularized by competent authority.

After some discussion, the Committee granting one time facility to the Department, settled the para subject to regularization of procedural irregularity by the competent authority.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

**22. Para No.22 Pages 22 & 23 of Audit Report for the year 1998-99;  
Overpayment of Rs.79,169/-.**

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**5.10.2004** Audit had pointed out that usage of rich specification i.e. 1:3 for brick work laid in reimbursement was not justified in the light of provision of book of specification and violation thereof

had resulted in overpayment to contractors.

The Department explained that in most of the work executed there was no deviation from the specification applicable at the time of execution of work and provisions in T.S estimate as the work was executed prior to notification dated 16.3.1998 issued by Chief Engineer (South) in respect of cement-sand mortar ratio of 1:5 for construction of drains. Chief Engineer (South) argued that in view of greater vehicular traffic in villages, the use of 1:3 ratio was better/durable.

Finance Department observed that change in specification was a procedural irregularity which should be got regularized by competent authority.

After some discussion, the Committee granting one time facility to the Department, settled the para subject to regularization of procedural irregularity by the competent authority.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

### **23. Para No.23 Page 23 of Audit Report for the year 1998-99; Overpayment of Rs.395,215/-.**

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**5.10.2004** Audit had pointed out that the Department changed specifications of work in contravention of T.S estimate.

The Department explained that during execution of work, there was shortage of AC pipe in the market and specification was changed from AC to PVC. Meanwhile the approved premium of AC pipe 223.95% above CSR-1979 was reduced to 116.23% and the payment of PVC pipe was made on reduced premium. As such no overpayment was involved.

Audit verified the contention of the department.

The **para was accordingly settled.**

### **24. Para No.24 Pages 23 & 24 of Audit Report for the year 1998-99; Overpayment of Rs.325,508/-.**

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**5.10.2004** Audit had pointed out that violation of sanctioned estimates had resulted in overpayment to contractors.



The Department explained that rate for the items of work was paid as per approved design criteria and the provisions in revised technically sanctioned estimate. As such no over-payment was involved which could be verified from the record.

The Committee directed that requisite record be produced to Audit for verification.

The para was kept pending.

**15.4.2005** The Department explained that no excess payment was involved as the works had been executed as per provision in the T.S Estimates.

The Department was directed to get the requisite record verified by the Audit within 90 days and **para was kept pending.**

**25. Para No.25 Pages 24 & 25 of Audit Report for the year 1998-99;  
Overpayment of Rs.782,224/-.**

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**6.10.2004** Audit had pointed out that excessive measurement had resulted in overpayment.

The Department explained that relevant record could not be produced to audit because entire record was lying with TMA, Sargodha and despite several reminders, TO (I&S) had not provided the same for verification.

The Committee expressed its displeasure on non-production of record to the Audit party and recommended that responsible officer should be suspended immediately and an inquiry against him be conducted under intimation to PAC-I. The Committee further directed that Secretary, LG&RD, TMO Sargodha and TO (I&S), Sargodha should attend the meeting of PAC-I on 13.10.2004 to explain the position viz-a-viz non-submission/delay in production of record.

The aforesaid para was kept pending.

**13.10.2004** In compliance with the directions of Public Accounts Committee –I Secretary LG&RD and Chief Engineer (North) attended the meeting and explained that the above para was pertained to pre-devolution and all the record was under the custody of TMO. He further stated that TMO had repeatedly been requested to provide the record for verification by the Audit but the requisite record could not be supplied.

The Committee directed to get the relevant record from the TMO and produce to Audit for verification within 30 days and the para was kept pending.

**15.4.2005** The Department explained that verification of the relevant record had been conducted by Audit and the result of verification of record was awaited.



The Department was directed to pursue the case and **para was settled subject to verification of relevant record.**

**26. Para No.26 Page 25 of Audit Report for the year 1998-99; Overpayment of Rs.435,423/-.**

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**5.10.2004** Audit had pointed out that the department paid for excessive quantities of work than those provided in TS estimate.

The Department explained that no overpayment was involved in the case. However, inquiry against the officer who had committed the irregularity had been ordered.

The Committee directed the department to finalize inquiry proceeding within 90 days under intimation to the PAC.

The para was kept pending.

**15.4.2005** The Department explained that as a result of verification of the requisite record, the departmental contention had been accepted and verified by Audit.

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

**27. Para No.27 Pages 25 & 26 of Audit Report for the year 1998-99; Overpayment of Rs.732,099/-.**

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**5.10.2004** Audit had pointed out that the Department paid for excessive measurements of certain items of work which resulted in over-payment.

The Department explained that the para was based on difference of quantities of earth filling/brick pavement quoted in TS estimate. The estimates had been revised with the approval of competent authority and there was no excess from revised TS.

On the verification of departmental contention by Audit, **the para was settled.**

**28. Para No.28 Pages 26 & 27 of Audit Report for the year 1998-99; Overpayment of Rs.263,445/-.**

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**5.10.2004** Audit had pointed out that excessive measurements had resulted in overpayment.

The Department explained that the para was based on payment of earth filling/brick pavement in respect of streets, the provision of which did not exist in original TS estimate. However, the estimate was revised and technically sanctioned by competent authority as per site requirements.

Audit verified the contention of the Department.

The **para was accordingly settled.**

**29. Para No.29 Page 27 of Audit Report for the year 1998-99; Overpayment of Rs.333,367/-.**

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**5.10.2004** Audit had pointed out that excessive measurements had resulted in overpayment. The Department explained that excess was worked out by Audit on the basis of difference in various items of work provided in TS estimate and actually executed at site. However, the estimate of the schemes had been revised and technically sanctioned by competent authority. As such no overpayment was involved which had been verified by Audit.

On the verification of departmental contention by Audit, **the para was settled.**

**30. Para No.30 Pages 27 & 28 of Audit Report for the year 1998-99; Overpayment of Rs.121,107/-**

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**6.10.2004** Audit had pointed out that excessive measurement had resulted in overpayment.

The Department explained that relevant record could not be produced to audit because entire record was lying with TMA, Sargodha and despite several reminders, TO (I&S) had not provided the same for verification.

The Committee expressed its displeasure on non-production of record to the Audit party and recommended that responsible officer should be suspended immediately and an inquiry against him be conducted under intimation to PAC-I. The Committee further directed that Secretary, LG&RD, TMO Sargodha and TO (I&S), Sargodha should attend the meeting of PAC-I on 13.10.2004 to explain the position viz-a-viz non-submission/delay in production of record.

The aforesaid para was kept pending.

**13.10.2004** In compliance with the directions of Public Accounts Committee –I Secretary LG&RD and Chief Engineer (North) attended the meeting and explained that the above para was pertained to pre-devolution and all the record was under the custody of TMO. He further stated that TMO had repeatedly been requested to provide the record for verification by the Audit but the requisite record could not be supplied.

The Committee directed to get the relevant record from the TMO and produce to Audit for verification within 30 days and the para was kept pending.

**15.4.2005** The Department explained that verification of the relevant record had been conducted

by Audit and the result of verification of record was awaited.

The Department was directed to pursue the case and **para was settled subject to verification of relevant record.**

**31. Para No.31 Pages 28 & 29 of Audit Report for the year 1998-99; Overpayment of Rs.155,246/-**

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**6.10.2004** Audit had pointed out that excessive measurement of earth filling had resulted in overpayment to Contractor.

The Department explained that as per findings of a probe made into the matter, the payment was made in accordance with TS estimate/site requirement, all the codal formalities were observed and site was indicated in the relevant MB. As such no overpayment was made.

Departmental contention was supported by Audit.

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

**32. Para No.32 Page 29 of Audit Report for the year 1998-99; Overpayment of Rs.89,625/-.**

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**6.10.2004** Audit had pointed out that measurement of excessive thickness of earth filling resulted in overpayment.

The Department explained the position in the light of findings of an inquiry held into the matter and stated that entire record was lying with the TMA, Gujranwala and despite several reminders, TO (I&S) had not provided the requisite record for verification which had resulted in non-submission of complete working papers.

The Committee expressed its displeasure on non-production of record by the aforesaid officer and directed that Secretary, LG&RD, TMO, Gujranwala should attend the meeting of PAC-I on 13.10.2004 to explain the position viz-a-viz non-submission/delay in the production of record.

The para was kept pending.

**15.4.2005** The Department explained that as a result of verification of the requisite record, the departmental contention had been accepted and verified by Audit.

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

**33. Para No.33 Pages 29 & 30 of Audit Report for the year 1998-99; Overpayment of Rs.93,936/-.**

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**6.10.2004** Audit had pointed out that excessive measurement had been resulted in over-payment to the contractor.

The Department explained that the earth work for embankment and brick soling was paid in accordance with actual work done at site. There was in fact saving of road length (170 feet) due to an area under encroachment.

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

**15.4.2005** The Department explained that the revised PC-I was under process for approval.

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

**34. Para No.34 Pages 30 & 31 of Audit Report for the year 1998-99; Overpayment of Rs.94,631/-.**

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**6.10.2004** Audit had pointed out that excessive measurement of size of brick soling resulted in overpayment.

The Department explained that Audit observation was not based on facts and the thickness of brick soling was changed as per instructions issued by Finance Department in 1980 and as per rules small variation in dimension was permissible.

Finance Department, however, did not support departmental contention and observed that audit objection was correct.

The Committee directed the Department to obtain clarification from Finance Department in this regard.

The para was kept pending.

**15.4.2005** The Department explained that the matter had been referred to the Finance Department for clarification which was still awaited

The Department was directed to pursue the case vigorously for early finalization and **para was kept pending.**

**35. Para No.35 Page 31 of Audit Report for the year 1998-99; Overpayment of Rs.796,200/-.**

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**5.10.2004** Audit had pointed out that the department paid for excessive quantities of work than those provided in TS estimate.

The Department explained that no overpayment was involved in the case. However, inquiry against the officer who had committed the irregularity had been ordered.

The Committee directed the department to finalize inquiry proceeding within 90 days under intimation to the PAC.

The para was kept pending.

**15.4.2005** The Department explained that as a result of verification of the requisite record, the departmental contention had been accepted and verified by Audit.

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

### **36. Para No.36 Page 32 of Audit Report for the year 1998-99; Overpayment of Rs.449,443/-**

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**6.10.2004** Audit had pointed out that excessive measurement had resulted in overpayment.

The Department explained that relevant record could not be produced to audit because entire record was lying with TMA, Sargodha and despite several reminders, TO (I&S) had not provided the same for verification.

The Committee expressed its displeasure on non-production of record to the Audit party and recommended that responsible officer should be suspended immediately and an inquiry against him be conducted under intimation to PAC-I. The Committee further directed that Secretary, LG&RD, TMO Sargodha and TO (I&S), Sargodha should attend the meeting of PAC-I on 13.10.2004 to explain the position viz-a-viz non-submission/delay in production of record.

The aforesaid para was kept pending.

**13.10.2004** In compliance with the directions of Public Accounts Committee –I Secretary LG&RD and Chief Engineer (North) attended the meeting and explained that the above para was pertained to pre-devolution and all the record was under the custody of TMO. He further stated that TMO had repeatedly been requested to provide the record for verification by the Audit but the requisite record could not be supplied.

The Committee directed to get the relevant record from the TMO and produce to Audit for

verification within 30 days and the para was kept pending.

**15.4.2005** The Department explained that verification of the relevant record had been conducted by Audit and the result of verification of record was awaited.

The Department was directed to pursue the case and **para was settled subject to verification of relevant record.**

**37. Para No.37 Pages 32 & 33 of Audit Report for the year 1998-99; Overpayment of Rs.456,653/-.**

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**5.10.2004** Audit had pointed out that the Department measured and paid for items in excess of requirement of site according to length of drains which had resulted in over-payment to contractors.

The Department gave detailed justification in respect of the six advance paras and concluded that no overpayment in any case was involved. The settlement of the para after verification of relevant record was requested.

The Committee conditionally settled the para subject to production of record and verification thereof by Audit.

**15.4.2005** The Department explained that no excess payment was involved as the works had been executed as per provision in the T.S Estimates.

The Department was directed to get the requisite record verified by the Audit within 90 days and **para was kept pending.**

**38. Para No.38 Pages 33 & 34 of Audit Report for the year 1998-99; Overpayment of Rs.646,240/-.**

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**6.10.2004** Audit had pointed out that excessive measurement resulted in overpayment.

The Department explained that as per the findings of an inquiry held into the matter, the amount of agreement was enhanced by SE Circle-II Rawalpindi due to increase in scope of work and payment was made to contractor accordingly which was covered under revised TS estimate. The contention of the department was not accepted.

The Committee therefore directed that the department should get the enhancement of agreement regularized by competent authority.

The para was kept pending.

**15.4.2005** The Department explained that verification of the relevant record had been conducted



by Audit and the result of verification of record was awaited.

The Department was directed to pursue the case and **para was settled subject to verification of relevant record.**

**39. Para No.39 Page 34 of Audit Report for the year 1998-99; Overpayment of Rs.632,846/-**

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**6.10.2004** Audit had pointed out that disregard to approved drawings and estimates had resulted in overpayment.

The Department explained that as a result of findings of a probe made into the matter, payments were made according to provisions of TS estimate and there was no deviation/over-payment involved in the matter.

Audit verified departmental contention except that recovery of Rs.656/- was yet to be effected. The Department assured that recovery of petty amount would also be effected.

On the assurance of the Department, **the para was settled.**

**40. Para No.40 Page 35 of Audit Report for the year 1998-99; Overpayment of Rs.384,985/-**

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**6.10.2004** Audit had pointed out that excessive measurement had resulted in overpayment.

The Department explained that as per findings of an inquiry held into the matter, the work was executed strictly within provisions of TS estimate and all codal formalities were observed. As such no fictitious payments were involved.

Departmental contention was supported by the Audit. Therefore, **the para was settled.**

**41. Para No.41 Pages 35 & 36 of Audit Report for the year 1998-99; Overpayment of Rs.376,962/-.**

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**6.10.2004** Audit had pointed out that duplication of PVC pipe with the change of class on the same lines resulted in overpayment.

The Department explained that as per findings of an inquiry held into the matter, the estimate of the scheme was technically sanctioned by competent authority which included the provision of PVC pipe B & D-class.



Audit, however, pointed out that relevant record in support of departmental contention was not produced.

The para was kept pending for production of record and verification thereof by Audit.

**15.4.2005** The Department explained that as a result of verification of the requisite record, the departmental contention had been accepted and verified by Audit.

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

**42. Para No.42 Page 36 of Audit Report for the year 1998-99; Overpayment of Rs.351,369/-.**

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**5.10.2004** Audit had pointed out that excessive measurements had resulted in over payment.

The Department explained that the work was executed as per provisions of the estimate in drainage scheme 100/WB and there was no variation as pointed out by Audit.

On the verification of departmental contention by Audit, **the para was settled.**

**43. Para No.43 Page 37 of Audit Report for the year 1998-99; Overpayment of Rs.597,228/-.**

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**5.10.2004** Audit had pointed out that excessive measurements had resulted in excess payment.

The Department explained that Audit had worked out excess payment on the basis of difference of quantities of PVC pipe in TS estimate and actually paid to contractor whereas revised TS was accorded by competent authority. There was no over-payment involved, however, a procedural irregularity was committed for which disciplinary action was recommended against the responsible officer.

Audit contended that outstanding dues be recovered from the responsible persons.

The para was kept pending for balance recovery at the earliest.

**15.4.2005** The Department explained that as a result of verification of the requisite record, the departmental contention had been accepted and verified by Audit.

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

**44. Para No.44 Pages 37 & 38 of Audit Report for the year 1998-99; Overpayment of Rs.179,459/-.**

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**6.10.2004** Audit had pointed out that excessive measurements resulted in overpayment to the contractor.

The Department explained that as per an inquiry held into the matter, there was net saving of Rs.1,047/- in the scheme and no overpayment was involved. Audit, however, pointed out as to why vouched accounts of work had not been finalized.

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

**15.4.2005** The Department explained that verification of the relevant record had been conducted by Audit and the result of verification of record was awaited.

The Department was directed to pursue the case and **para was settled subject to verification of relevant record.**

#### **45. Para No.45 Page 38 of Audit Report for the year 1998-99; Overpayment of Rs.139,970/-**

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**6.10.2004** Audit had pointed out that excessive measurement had resulted in overpayment.

The Department explained that relevant record could not be produced to audit because entire record was lying with TMA, Sargodha and despite several reminders, TO (I&S) had not provided the same for verification.

The Committee expressed its displeasure on non-production of record to the Audit party and recommended that responsible officer should be suspended immediately and an inquiry against him be conducted under intimation to PAC-I. The Committee further directed that Secretary, LG&RD, TMO Sargodha and TO (I&S), Sargodha should attend the meeting of PAC-I on 13.10.2004 to explain the position viz-a-viz non-submission/delay in production of record.

The aforesaid para was kept pending.

**13.10.2004** In compliance with the directions of Public Accounts Committee –I Secretary LG&RD and Chief Engineer (North) attended the meeting and explained that the above para was pertained to pre-devolution and all the record was under the custody of TMO. He further stated that TMO had repeatedly been requested to provide the record for verification by the Audit but the requisite record could not be supplied.

The Committee directed to get the relevant record from the TMO and produce to Audit for verification within 30 days and the para was kept pending.

**15.4.2005** The Department explained that verification of the relevant record had been conducted by Audit and the result of verification of record was awaited.

The Department was directed to pursue the case and **para was settled subject to verification of relevant record.**

**46. Para No.46 Page 39 of Audit Report for the year 1998-99; Overpayment of Rs.900,225/-**

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**6.10.2004** Audit had pointed out that excessive measurement resulted in overpayment.

The Department explained that actual amount of para was Rs.90,025/- and as per an inquiry held into the matter, the amount of contract was enhanced by SE Circle-II, Rawalpindi which was covered under the revised estimate.

Audit verified the record produced by Department but desired that explanation about enhancement of amount of agreement.

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

**47. Para No.47 Pages 39 & 40 of Audit Report for the year 1998-99; Overpayment of Rs.76,346/-.**

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**6.10.2004** Audit had pointed out that fictitious measurement resulted in overpayment.

The Department explained that PCC 1:6:12 in 2<sup>//</sup> wide bed of nullah was actually done and measured at page 190 of MB but was not actually paid to the contractor. As such no loss to the Government had been taken place.

Audit desired that relevant MB etc. should be produced for verification.

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

**15.4.2005** The Department explained that as a result of verification of the requisite record, the departmental contention had been accepted and verified by Audit.

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

**48. Para No.48 Page 40 of Audit Report for the year 1998-99; Overpayment of Rs.225,045/-.**

**5.10.2004** Audit had pointed out that non-deduction of excavated earth had resulted in overpayment.

The Department explained that earth available from excavation was utilized in partial filling of the space between the edge of drain and shoulder of brick pavements and remaining filling was done by villagers on self help basis. As such no excess payment was involved.

The Committee conditionally settled the para subject to verification of relevant record by Audit.

**15.4.2005** The Department explained that no excess payment was involved.

The Department was directed to get the requisite record verified by the Audit within 90 days and **para was kept pending.**

**49. Para No.49 Page 41 of Audit Report for the year 1998-99; Overpayment of Rs.262,522/-.**

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**5.10.2004** Audit had pointed out excessive measurement had resulted in overpayment to contractors.

The Department explaining the position about 9 Advance Paras stated that deduction of earth was made in the relevant MBs. Audit, however, stated that the MBs had not been produced.

The Committee directed the department to produce MBs/relevant record to Audit within 60 days for verification.

The para was kept pending.

**15.4.2005** The Department explained that no excess payment was involved as the works had been executed as per provision in the T.S Estimates.

The Department was directed to get the requisite record verified by the Audit within 90 days and **para was kept pending.**

**50. Para No.50 Pages 41 & 42 of Audit Report for the year 1998-99; Overpayment of Rs.150,253/-.**

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**5.10.2004** Audit had pointed out that non-deduction of volume of brick soling from quantity of earth work had resulted in excess payment.

The Department explained that the audit observation was not justified because excavation

of streets was not involved in laying of brick soling. However, prior to laying brick pavement, slight dressing of streets was required to maintain camber in the center.

On the verification of departmental contention by Audit, the **para was settled.**

**51. Para No.51 Pages 42 & 43 of Audit Report for the year 1998-99; Overpayment of Rs.124,608/-.**

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**6.10.2004** Audit had pointed out that non-deduction of quantity of brick soling from earth work had resulted in overpayment to the contractor.

The Department explained that earth work was executed up to formation level and bricks on edge were laid on top whereas berms on either side of the brick soling were provided by local community which was not paid by the Department.

Departmental contention was supported by Audit. Therefore, **the para was settled.**

**52. Para No.52 Page 43 of Audit Report for the year 1998-99; Overpayment of Rs.52,924/-.**

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**5.10.2004** Audit had pointed out that the Department failed to deduct the volume of brick pavement crust from the item of earth filling under soling.

The Department explained that measurement of earth filling in streets was done after filling and water ramming of earth. Further, prior to laying brick pavement, slide dressing of streets was required to maintain camber in centre. The Department added that excavation of the streets was not involved in laying of brick soling. Thus, no overpayment was involved.

On the verification of departmental contention by Audit, **the para was settled.**

**53. Para No.53 Page 44 of Audit Report for the year 1998-99; Overpayment of Rs.85,000/-**

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**6.10.2004** Audit had pointed out that payment at higher rate resulted in excess payment.

The Department explained that all payments were made according to provisions of revised TS estimate which was approved by the competent authority and the facts had been verified by Audit.

Departmental contention was supported by Audit. Therefore, **the para was settled.**

**54. Para No.54 Pages 44 & 45 of Audit Report for the year 1998-99; Overpayment of Rs.62,914/-.**

**5.10.2004** Audit had pointed out that allowances of higher rate of a non-scheduled item had resulted in overpayment.

The Department stated that the matter would be inquired into to thrash out the facts of the case.

The Committee directed the Department to hold an inquiry into the matter and fix responsibility within 90 days under intimation to PAC.

The para was kept pending.

**15.4.2005** The Department explained that the probe report had been completed and necessary disciplinary action was under process.

The Department was directed to finalize necessary action within 90 days and **para was kept pending.**

**55. Para No.55 Page 45 of Audit Report for the year 1998-99; Overpayment of Rs.65,750/-.**

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**5.10.2004** Audit had pointed out that excess measurements had resulted in excess payment.

The Department explained that boring for installation of tubewell failed once due to unavailability of suitable water, therefore, the site was shifted to another place and tubewell was installed. The expenditure on first boring was charged to contingencies of the estimate with the approval of Superintending Engineer.

On the verification of departmental contention by Audit, **the para was settled.**

**56. Para No.56 Page 46 of Audit Report for the year 1998-99; Overpayment of Rs.54,568/-.**

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**6.10.2004** Audit had pointed out that construction of drainage line twice paved the way for excess payment.

The Department explained that as per findings of a probe made into the matter, the payments were made according to provisions of TS estimate and all codal formalities were observed. As such no over-payment was involved.

Finance Department remarked that the Department should classify on whose orders



dismantling/re-construction of the sewerage and drainage line was done and suggested that a regular inquiry be held.

The Committee was not satisfied with departmental explanation and directed it to hold a regular inquiry into the matter and finalize the same within 90 days under intimation to PAC.

The para was kept pending.

**15.4.2005** The Department explained that as per inquiry report, no irregularity had been established against officers.

The Department was directed to get the inquiry report vetted by the Administrative Secretary and **para was kept pending.**

**57. Para No.57 Pages 46 & 47 of Audit Report for the year 1998-99;  
Overpayment of Rs.50,130/-**

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**6.10.2004** Audit had pointed out that separate payment for excavation and higher rate resulted in overpayment.

The Department explained that there was provision for excavation of trenches for 13900 rft. AC pipe and separate provision for dismantling of 13900 rft. AC pipe. It was added that 6<sup>//</sup> i/d AC pipe was to be dismantled from R/W/S scheme Sandral and Gaugh and it was to be relaid in rehabilitation of W/S Scheme Rajor which was an independent scheme. Thus the payment was correctly made.

On the verification of departmental contention by Audit, the **para was settled.**

**58. Para No.58 Pages 47 & 48 of Audit Report for the year 1998-99;  
Overpayment of Rs.55,441/-.**

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**5.10.2004** Audit had pointed out occupation of Government residence by an officer who also drew house rent allowance in violation of rules.

The Department explained that as a result of an inquiry held into the matter, the officer concerned was exonerated by the competent authority. It was further stated that the inquiry report had been approved by the Administrative Secretary.

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



**59. Para No.59 Page 48 of Audit Report for the year 1998-99; Overpayment of Rs.48,000/-.**

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**6.10.2004** Audit had pointed out that the Department made excessive payment as compared to the actual work done at site.

The Department explained that an amount of Rs.34,418/- had been recovered while the balance amount was recoverable from the firm which was not working presently with the Department.

The Committee kept the para pending for recovery of outstanding amount.

**15.4.2005** The Department explained that the matter regarding recovery of outstanding amount had been taken up with the LG&RD, Department as the firms were working in that department.

The Department was directed to write a DO letter to the Secretary LG&RD, Department for effecting outstanding Government dues, pursue the case vigorously and **para was kept pending.**

**60. Para No.60 Pages 48 & 49 of Audit Report for the year 1998-99; Overpayment of Rs.44,201/-**

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**6.10.2004** Audit had pointed out that working out of incorrect contents of record entry resulted in overpayment.

The Department explained that an inquiry into the matter was ordered. However, during the proceedings of the inquiry the contractor had deposited the requisite amount.

Departmental contention was supported by Audit, therefore the **para was settled.**

**61. Para No.61 Page 49 of Audit Report for the year 1998-99; Overpayment of Rs.406,146/-.**

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**6.10.2004** Audit had pointed out that the Department paid for certain items in excess of the quantities provided in TS estimate and agreement.

The Department explained the position in detail and concluded that the work was completed at the cost of Rs.3,804,200/- i.e. within the ceiling/limit of the school (4.5% technically sanctioned cost i.e. Rs.3,956,423/-). Hence no over payment as such was involved.

Departmental contention was supported by Audit. Therefore, the **para was settled.**

**62. Para No.62 Page 50 of Audit Report for the year 1998-99; Overpayment**

**of Rs.441,787/-.**

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**6.10.2004** Audit had pointed out that the Department measured and paid for certain items in excess of the admissible quantities.

The Department explained that item of pacca brick work and steel doors was within the sanctioned estimate whereas the difference in the quantities of RCC pre-cast girder was due to site requirements. The variation was duly approved by competent authority before execution of work.

On the verification of departmental contention by Audit, the **Committee settled the para.**

**63. Para No.63 Pages 50 & 51 of Audit Report for the year 1998-99; Overpayment of Rs.142,308/-.**

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**6.10.2004** Audit had pointed out that the Department paid for excessive quantity of RCC item then that provided in TS estimate and design/RCC.

The Department explained that Audit observation was not based on facts and detailed design was carried out keeping in view stability of structure and payment was made on the basis of actual work done/design. As such no overpayment was involved.

Departmental contention was supported by Audit. Therefore, **the para was settled.**

**64. Para No.64 Pages 51 & 52 of Audit Report for the year 1998-99; Overpayment of Rs.70,920/-.**

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**6.10.2004** Audit had pointed out that excessive measurements resulted in overpayment to the Contractor.

The Department explained that excess items were covered in TS estimate and the work could not be completed due to non-availability of funds.

Departmental contention was supported by Audit. Therefore, **the para was settled.**

**65. Para No.65 Page 52 of Audit Report for the year 1998-99; Overpayment of Rs.145,380/-.**

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**6.10.2004** Audit had pointed out that the Department paid higher rates for item of earth work instead of admissible rates provided in TS estimate.

The Department explained that Audit observation was not justified and the foundation of building had to be laid upto 10 ft. below NSL keeping in view soil conditions and such items were available in CSR 1979, therefore, non-scheduled rates were approved by competent authority for the purpose. The relevant MB and final bill could not be produced due to devolution of the Department.

Audit agreed with the explanation of the Department in the meeting.

The **Committee accordingly settled the para.**

**66. Para No.66 Page 53 of Audit Report for the year 1998-99; Overpayment of Rs.1,177,248/-.**

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**6.10.2004** Audit had pointed out that the Department paid extra cost for certain items which resulted in overpayment.

The Department explained that item No.5A(1)(3) CSR 1979 did not cover RCC work for special architectural designs and the decorative type cornice required special framework, therefore, a non-scheduled item was approved by competent authority.

Audit agreed with the explanation of the Department.

The **Committee accordingly settled the para.**

**67. Para No.67 Pages 53 & 54 of Audit Report for the year 1998-99; Overpayment of Rs.57,159/-.**

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**6.10.2004** Audit had pointed out that the Department paid for certain items without provision in the TS estimate/agreement.

The Department explained that the item of “course rubble undressed” masonry existed in estimate approved by competent authority and payments were made accordingly.

On the verification of departmental contention by Audit, the **para was settled.**

**68. Para No.68 Page 54 of Audit Report for the year 1998-99; Overpayment of Rs.1,847,799/-.**

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**8.11.2003** The Audit pointed out that WASA made payment for providing and lying granular material at the rate of Rs. 19/- per cft. As non-schedule instead of admissible item as per CSR 1979 providing and lying dry rammed brick i.e. 239 per %cft+255% premium Rs. 8.48 per cft. Payment as non-schedule item resulted in loss of Rs.1,847,899/- to the authority.

The Department explained that the sewer was laid on granular material which was not covered in CSR 1979 and was included in the bid schedule. As such no overpayment was involved.

The Committee settled the para subject to verification of record by Audit.

**4.10.2004** The Department reiterating its previous position stated that no overpayment in this case was involved.

The position being identical to para 76, the Committee accepted departmental contention and settled the para.

**69. Para No.69 Page 55 of Audit Report for the year 1998-99; Overpayment of Rs.839,880/-.**

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**4.10.2004** Audit had pointed out that payment of higher rate than that admissible had resulted in loss to Government.

The Department explained the position in detail and concluded that the rate adopted in final bill was approved by competent authority @ Rs.19,716/- per Rft. instead of Rs.32,000/- per Rft. Thus an amount of Rs.2,051,035/- was recovered/adjusted during rationalization of rates.

The departmental contention was verified by Audit and Finance Department also recommended the settlement of the para.

The Committee accordingly settled the para.

**70. Para No.70 Pages 55 & 56 of Audit Report for the year 1998-99; Overpayment of Rs.586,820/-.**

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**7.11.2003** The Audit had pointed out that the FDA paid escalation of bitumen which was not provided in the agreement.

The Department explained that escalation was admissible on bitumen as per Government of the Punjab, Finance Department No.(Tech) FD-10-2/90 dated 30.1.1993 and Chief Engineer Faisalabad Development Authority had allowed to include escalation.

The Audit accepted the explanation of the Department and recommended the para for settlement.

The para was settled.

**71. Para No.71 Page 56 of Audit Report for the year 1998-99; Overpayment of Rs.143,917/-.**

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**8.11.2003** The Audit had pointed out that WASA FDA made payment for plain wood work left-in-place with shuttering @ Rs.114.85 per cft instead of Rs.67.65 per cft and the labour of shuttering was included in the item of earth work. This resulted in overpayment of Rs.143,917/-.

The Department explained that the discrepancy of rates existed only for 190 Rft. and the recovery thereof, amounting to Rs.536.31 would be made from the final bill of the contractor.

The para was settled subject to recovery determined by the Department and its verification by Audit.

**4.10.2004** The Department stated that the balance recovery of Rs.537/- had been effected and got verified by the Audit.

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

**72. Para No.72 Page 57 of Audit Report for the year 1998-99; Overpayment of Rs.422,966/-.**

**8.11.2003** The Audit had pointed out that the WASA (FDA) made payment for providing and laying granular material as non schedule item instead of admissible item under CSR 1979.

The Department explained that the rate of the item used by WASA was not provided in CSR. Furthermore, this item was also used in all over the province in other Departments i.e. Public Health Engineering Department, H&PP Department, WASA, LDA etc.

The Audit pointed out that PC-I and final bill had not been produced to Audit.

The Committee directed that the requisite documents should be produced to Audit for verification.

The para was kept pending.

**4.10.2004** The Department stated that the PC-I was still under process for approval by competent authority, therefore, the final bill had not been finalized.

The Committee conditionally settled the para subject to verification of relevant record by Audit.

**15.4.2005** The Department explained that the requisite record was under verification.

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

**73. Para No.73 Pages 57 & 58 of Audit Report for the year 1998-99;**

### **Overpayment of Rs.540,539/-.**

**4.10.2004** Audit had pointed out that payment of premium at rates more than admissible rates had resulted in over-payment.

The Department explained that relevant record was produced to and verified by Audit.

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

### **74. Para No.74 Page 58 of Audit Report for the year 1998-99; Overpayment of Rs.85,400/-.**

**4.10.2004** Audit had pointed out that WASA, FDA, made payment for 5% sundry charges which were not admissible.

The Department stated that as per standing rules, sundry charges @ 10% were admissible. Thus, the recalculated rate came to Rs.9,078/- per rft. which was more than the paid rate i.e. Rs.8,974/-

Audit verified the departmental contention and recommended the para for settlement.

On the verification of departmental contention by Audit, **the Committee settled the para.**  
**75. Para No.75 Page 59 of Audit Report for the year 1998-99; Overpayment of Rs.1,335,386/-.**

**8.11.2003** The Audit had pointed out that FDA made payment @ 80% custom duty for clearance of consignment from custom instead of 30% as required under Pakistan Custom Import Tariff. On import value of Rs.2,670,772/- the authority made payment of excessive rate resulted in loss of Rs.1,335,386/-

The Audit explained that keeping in view the written reply of the Department the facts had been verified from the relevant record and the contention of the Department found correct.

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

### **76. Para No.76 Pages 59 & 60 of Audit Report for the year 1998-99; Overpayment of Rs.354,218/-.**

**4.10.2004** Audit had pointed out that payment by WASA, Faisalabad Development Authority, at higher rates had resulted in excess payment of Rs.354,218/-

The Department explained that payment was made @ Rs.19/- per cft. i.e. bid rates. As per



approved rates analysis for this item, no provision for 5% income tax was made and contractor's profit was taken as 10% and not 15% as observed by Audit. In this case too, revision of PC-I was not required.

The Committee accepted the departmental contention and **settled the para.**

**77.            Para No.77 Page 60 of Audit Report for the year 1998-99; Overpayment of Rs.2,293,456/-.**

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**4.10.2004**     Audit had pointed out that inadmissible payment of shuttering had resulted in overpayment of Rs.2,293,456/- to contractor.

The Department stated that it was an engineering decision to lay the sewer with full depth shuttering. Moreover, payment was made according to work done as per approved drawings, PC-I, T. S & AA. The total completion cost of the project was within the expenditure limit of original PC-I. Therefore, revision of PC-I was not required. MD WASA stated in the meeting that technical sanction was given by competent authority.

The Committee accepted departmental explanation and **settled the para.**

**78.            Para No.78 Page 61 of Audit Report for the year 1998-99; Overpayment of Rs.826,703/-.**

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**8.11.2003**     The Audit had pointed out that the authority executed/paid quantities of the items in excess of provision made in the TS estimate.

The Department explained that the excess quantities in question have been covered in the revised T.S Estimate.

The Audit contended that the final bill and revised TS had not yet been produced to the audit for verification.

The Committee directed the Department that the final bill alongwith revised TS be verified within two weeks and the para was settled subject to verification.

**4.10.2004**     The Department stated that the record had been produced to Audit for verification.

Audit stated that record produced by Department had been verified and accepted.

**The para was settled.**

**79.            Para No.79 Pages 61 & 62 of Audit Report for the year 1998-99;**



### **Overpayment of Rs.5,894,688/-.**

**8.11.2003** The Audit had pointed out that the Gujranwala Development Authority incorrectly paid higher rate as non schedule item although the rate for the same item was available in the composite schedule of rate 1979 at lesser rate.

The Department explained that item No. 21 of CSR 1979 (Page-51) as pointed out by Audit was not applicable to sewerage work. The specification for bedding of sewer lines as approved in PC-I did not exist in CSR 1979.

The Department contended that the technical decision as to which item was required to be used was to be taken by the engineers and not by Audit. The Administrative Department further explained that the item in question was commonly used, therefore, it must have been provided in CSR.

The Committee directed the Department that the Administrative Department may refer the issue to the Standing Rates Committee for advice. The para was kept pending.

**4.10.2004** The Department stated that SRC to which the matter was referred stood dissolved, therefore, no further progress could be made. The Department, however, stated that AA/TS was approved by competent authority and audit objection was not correct.

The Committee observed that Department should show AA/TS to Audit.

With this observation, **the para was settled.**

### **80. Para No.80 Page 62 of Audit Report for the year 1998-99; Overpayment of Rs.314,553/-.**

**7.11.2003** The Audit observed that the authority awarded the balance work during April 1997 which had already been allotted by Chief Engineer and finalized during January 1997.

The Department explained that the work executed through a separate contract was not included in the original contract.

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

**4.10.2004** The Department stated that the record had been produced to Audit for verification.

Audit stated that record had been verified and accepted by it.

**The Committee settled the para accordingly.**

**81. Para No.81 Pages 62 & 63 of Audit Report for the year 1998-99; Overpayment of Rs.171,930/-.**

**7.11.2003** The Department explained that the item of work in question was incorporated in the T. S Estimate and no overpayment was involved.

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

**4.10.2004** The Department stated that the record had been produced to Audit for verification.

Audit stated that record had been verified and accepted by it.

The **Committee settled the para accordingly.**

**82. Para No.82 Page 63 of Audit Report for the year 1998-99; Overpayment of Rs.153,260/-.**

**7.11.2003** The Department explained that quantity of the item in question was initially/ technically sanctioned which was accorded before start of work.

The **para was settled.**

**83. Para No.83 Pages 63 & 64 of Audit Report for the year 1998-99; Overpayment of Rs.212,617/-.**

**7.11.2003** The Audit pointed out that the Gujranwala Development Authority executed and paid items in excess of the approved quantity. This resulted in over payment of Rs.212,617/- to the contractor.

The Department explained that the quantities paid to the contractor were provided in the T.S Estimates issued before start of the work.

The Committee settled the para subject to verification of record by the Audit.

**4.10.2004** The Department stated that the record had been produced to Audit for verification.

Audit stated that record had been verified and accepted by it.

The **Committee settled the para accordingly.**

**84. Para No.84 Page 64 of Audit Report for the year 1998-99; Overpayment**

**of Rs.84,500/-.**

**7.11.2003** The Audit had observed that payment had been made for purchase of items but vouchers were not shown to Audit.

The Department explained that the attested copies of the relevant vouchers had already been supplied to Audit. The Audit confirmed during the meeting that the vouchers had been verified.

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

**85. Para No.85 Page 65 of Audit Report for the year 1998-99; Overpayment of Rs.408,000/-.**

**7.11.2003** The Audit had pointed out that GDA accepted higher rate of Rs.975,000/- per set of machinery (KSB Pumps) against the quoted rate of Rs.771,000/- by the contractor.

The Department explained that the item of work in question included supply and installation of KSB pumps which also included additional items. The provision for complete item approved in PC-I and T.S Estimate was Rs.933,000/- per set and payment had been made accordingly.

The Audit informed the Committee that revised TS and all other relevant record had been verified and recommended the para for settlement. On the recommendation of the Audit the **Committee settled the para.**

**86. Para No.86 Pages 65 & 66 of Audit Report for the year 1998-99; Loss of Rs.1,173,804/-.**

**5.10.2004** Audit had pointed out that delay in handing over completed schemes had resulted in loss to public exchequer.

The Department explained that no user Committee was ready to take over the schemes. Moreover, after devolution at Tehsil level, all the schemes had been transferred to respective TMAs who were now responsible for their further operation and maintenance. No overpayment was, however, involved.

The Committee directed that the Department to get the matter resolved at the earliest.

The para was kept pending.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

**87. Para No.87 Page 66 of Audit Report for the year 1998-99; Loss of Rs.830,576/-**

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**6.10.2004** Audit had pointed out that slow progress of work and avoiding action against the contractor resulted in loss to Government.

The Department explained that work was allotted according to budget provided by Government and the contract was enhanced by competent authority. The amount of secured advance was reduced to Rs.217,821/- in 7<sup>th</sup> running bill which would be recovered after installation of machinery. The work could not be completed due to devolution of the Department.

Finance Department was of the view that TMA was required to take necessary steps for installation of machinery etc.

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

**88. Para No.88 Page 67 of Audit Report for the year 1998-99; Loss of Rs.2,823,432/-.**

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**7.11.2003** The Audit had pointed out that the EM Division of the authority failed to impose and recover penalty from the defaulter allottees of plots/shops for extension in construction period from February 1984 to December 1998 and thus resulted in loss of Rs.2,823,432/- to the authority.

The Department explained that the notices were served to the allottees to produce completion certificate or to obtain extension in construction period and strenuous efforts were being made to recover the balance amount.

The Committee settled the para subject to recovery of balance amount and its verification by the Audit.

**4.10.2004** The Department explained that record pertaining to recovery was produced to audit for verification which did not accept photo copies and insisted for verification from original record which was in huge quantity and could not be brought from Faisalabad office.

The Committee observed that Audit should depute an officer to visit Faisalabad for verification of original record.

The above para was settled subject to verification of recovery effected by audit and balance recovery, if any.

**15.4.2005** The Department explained that efforts were being made to effect balance recovery.

The Department was directed to effect balance recovery within 90 days and **para was kept pending.**

**89. Para No.89 Pages 67 & 68 of Audit Report for the year 1998-99; Loss of Rs.278,253/-.**

**7.11.2003** The Audit had pointed out that the FDA failed to recover wastage of “Fabrication of miled steel” as provided in the analysis of rates attached with PC-I.

The Department explained that the item of work fabrication of miled steel of grade 60 was a bid item and the rate had been quoted by the contractor for complete item. The recovery of 10% wastage was not called for.

The Audit accepted the contention of the Department and recommended the para for settlement.

The **para was settled.**

**90. Para No.90 Page 68 of Audit Report for the year 1998-99; Non-disposal of Old Material Worth Rs.11,500,000/-.**

**8.11.2003** The Audit had pointed out that P&S Directorate failed to dispose off 23 old tubewells with accessories lying in ware house that resulted in loss of Rs.11,500,000/-

The Department explained that the amount of the para was exaggerated. 5 lots of the dismantled material had been disposed off and auction money deposited in the Government Treasury, only one lot was still to be auctioned.

The Committee directed that the remaining material be auctioned within four months and the record be got verified by the Audit.

The para was kept pending.

**4.10.2004** The Department stated that the balance amount of Rs.39,938/- had also been recovered as auction money and deposited into Government treasury.

The Committee settled the para subject to verification of record by the Audit.

**15.4.2005** The Department explained that the remaining lot of old material had been auctioned and verified by Audit.

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

**91. Para No.91 Pages 68 & 69 of Audit Report for the year 1998-99; Loss of Rs.74,800/-.**

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**8.11.2003** The Audit had pointed out that P&S Directorate failed to recover enlistment/renewal fee which resulted in loss of Rs.73,800/- to the authority.

In its latest comments the Audit stated that after verification of record the amount of para was reduced to Rs.9,200/-

The department explained that the remaining amount had also been recovered.

The Department was directed to get the record verified by Audit.

The para was settled.

**4.10.2004** The Department stated that the remaining amount of Rs.750/- had been recovered and got verified by the Audit.

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

**92. Para No.92 Pages 69 & 70 of Audit Report for the year 1998-99; Irregular Payment of Rs.9,918,115/-.**

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**5.10.2004** Audit had pointed out that awarding of works without fair competition deprived the Government of benefit of competitive rates resulting in loss. Moreover, incurring of expenditure without competent sanction for enhancement resulted in irregular payment.

The Department explained that out of four contracts, two were awarded after advertisement in press, whereas; remaining two contracts were awarded after publicity on notice board. The enhancement was done by SE being the competent authority under para 6.2 of Manual of Orders.

The Administrative Secretary conceded that the procedure adopted was against norms of transparency and that the Department would ensure that such things did not happen in future.

In view of assurance given by Administrative Secretary to strictly observe rules and regulations, the Committee settled the para subject to regularization by competent authority.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

**93. Para No.93 Pages 70 & 71 of Audit Report for the year 1998-99; Irregular enhancement of Rs.8,499,225/-.**

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**5.10.2004** Audit had pointed out that irregular enhancements had resulted in unauthorized payment.

The Department explained that contracts were awarded after observing all codal formalities. The agreements were further enhanced by the Superintendent Engineering being the competent authority.

The Committee directed the department to get the matter regularized by competent authority.

The para was kept pending.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

**94. Para No.94 Page 71 of Audit Report for the year 1998-99; Irregular Enhancement of Rs.2,459,637/-.**

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**5.10.2004** Audit had pointed out that irregular enhancement of agreement had resulted in unauthorized payment.

The Department explained that the amount of agreement of work was allotted after observing all codal formalities which was enhanced by the SE being the competent authority.

The Committee was not satisfied with the explanation of the Department and directed that the matter should be got regularized by the competent authority



The para was kept pending.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

**95. Para No.95 Page 72 of Audit Report for the year 1998-99; Irregular Enhancement of Rs.2,442,080/-.**

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**5.10.2004** Audit had pointed out that irregular enhancement had resulted in irregular payments.

The Department explained that contracts amounting to Rs.1,127,290/- and Rs.937,766/- were awarded after observing all codal formalities which were later enhanced to Rs.3,600,000/- and Rs.2,107,669/- respectively by the Chief Engineer being the competent authority.

The Committee was not satisfied with departmental reply and directed it to get irregular enhancements regularized by competent authority.

The para was conditionally settled subject to above directions.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance Department and decision was awaited.

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

**96. Para No.96 Pages 72 & 73 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.2,107,669/-.**

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**5.10.2004** Audit had pointed out that irregular enhancement had resulted in irregular payments.

The Department explained that contracts amounting to Rs.1,127,290/- and Rs.937,766/- were awarded after observing all codal formalities which were later enhanced to Rs.3,600,000/- and Rs.2,107,669/- respectively by the Chief Engineer being the competent authority.

The Committee was not satisfied with departmental reply and directed it to get irregular enhancements regularized by competent authority.

The para was conditionally settled subject to above directions.

**15.4.2005** The Department explained that the case for regularization had been sent to the Finance

Department and decision was awaited.

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

**97. Para No.97 Pages 73 & 74 of Audit Report for the year 1998-99; Loss of Rs.1,080,723/-.**

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**6.10.2004** Audit had pointed out that disregard to decision of Standing Rates Committee resulted in substandard work and loss to Government.

The Department explained that as per the findings of a probe made into the matter, there was no need of embankment along both sides of brick pavement during site verification. Moreover, wall to wall brick pavement had been made at site of work and the rate of preparation of proper camber and compaction of bed existed in prevailing rates of brick pavement in Schedule of Rates 1979.

Finance Department observed that from perusal of MB it was crystal clear that earth filling was done by mechanical means and, therefore, departmental contention was not based on facts.

The Committee was not satisfied with the departmental explanation and directed it to hold a regular inquiry into the matter and finalize the same within 90 days under intimation to PAC.

The para was kept pending.

**15.4.2005** The Department explained that as a result of verification of the requisite record, the departmental contention had been accepted and verified by Audit.

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

**98. Para No.98 Page 74 of Audit Report for the year 1998-99; Un-justified expenditure of Rs.224,021/-**

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**6.10.2004** Audit had pointed out that incurrence of expenditure without technical sanction resulted in unjustified payment.

The Department explained that provision of certain items did not exist in original estimate, however, in view of site requirements revised TS estimate was approved by the competent authority which included the said items. The scheme was completed within permissible limit of AA/TS.

Departmental contention was supported by Audit, **the para was settled.**

**99. Para No.99 Page 75 of Audit Report for the year 1998-99; Loss of Rs.230,858/-.**

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**6.10.2004** Audit had pointed out that the Department accepted tenders at premium beyond the prescribed limit of 4.5% above T.S estimate which resulted in loss to Government.

The Department explained that at the time of calling of tenders, revision of the estimate was under process and later the matter was got regularized by competent authority and these facts were also verified in a probe made into the matter.

Audit contended that the matter of acceptance of tenders at higher premium than prescribed limit of 4.5% above T.S estimate was a serious irregularity.

The Committee directed that the Department should again look into the matter in the light of Audit comments and produce relevant record to it for verification.

The para was kept pending.

**15.4.2005** The Department explained that verification of the relevant record had been conducted by Audit and the result of verification of record was awaited.

The Department was directed to pursue the case and **para was settled subject to verification of relevant record.**

**100. Para No.100 Pages 75 & 76 of Audit Report for the year 1998-99; Loss of Rs.147,111/-.**

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**6.10.2004** Audit had pointed out that violation of permissible limits of premium had resulted into loss of Rs.147,111/- to the Government.

The Department stated that premium for PVC pipe 6" i/d was reduced from 203% above to 156% above CSR 1979 by contractor as per undertaking. Accordingly approval letter was issued in favour of lowest contractor. The amount of agreement was twice enhanced by competent authority. But overall expenditure did not exceed permissible limit over TS/AA.

The para was kept pending for production of record to and verification thereof by Audit.

**15.4.2005** The Department explained that the overall expenditure of the scheme did not exceed the permissible limit over TS/AA.

The Audit observed that said premium was not payable.

The Department was directed to enquire the matter by the Administrative Secretary and para was kept pending.

**101.            Para No.101 Page 76 of Audit Report for the year 1998-99; Loss of Rs.143,159/-.**

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**6.10.2004**     Audit had pointed out that violation of permissible limits of premium had resulted into loss to Government.

The Department explained that the lowest tenderer quoted premium 256% above CSR 1979 on civil work and 302% for sinking of well. However, premium on civil work was reduced by him to 255% but no change in premium for sinking of well was made. Accordingly acceptance letter was issued in favour of lowest contractor. The TS estimate was revised by competent authority. The Department contended that overall excess did not exceed permissible limit of TS/AA.

The para was kept pending for production of record and verification thereof by Audit.

**15.4.2005**     The Department explained that the overall expenditure of the scheme did not exceed the permissible limit over TS/AA.

The Audit observed that said premium was not payable.

The Department was directed to enquire the matter by the Administrative Secretary and para was kept pending.

**102.            Para No.102 Page 77 of Audit Report for the year 1998-99; Loss of Rs.53,498/-.**

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**6.10.2004**     Audit had pointed out that deviation from permissible limit put the Government to loss.

The Department explained that revised estimate of the scheme amounting to Rs.49.49 lac had been approved by competent authority in accordance with allotted premium.

Audit stated that the Department did not produce any record in support of its contention.

The para was kept pending for production of record and verification there of by Audit.

**15.4.2005**     The Department explained that no excess payment was involved as the works had been executed as per provision in the T.S Estimates.

The Department was directed to get the requisite record verified by the Audit within 90 days and **para was kept pending.**

**103. Para No.103 Pages 77 & 78 of Audit Report for the year 1998-99; Irregular Payment of Rs.1,613,561/-.**

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**5.10.2004** Audit had pointed out that the department refunded security deposits to contractors without finalization of work and issuance of completion certificate.

The Department stated in the meeting that de novo inquiry into the matter had been ordered.

The Committee directed the department to complete inquiry proceedings within 90 days under intimation to Committee.

The para was kept pending.

**15.4.2005** The Department explained that the probe report had been completed and necessary disciplinary action was under process.

The Department was directed to finalize necessary action within 90 days and **para was kept pending.**

**104. Para No.104 Pages 78 & 79 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.917,601/-.**

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**6.10.2004** Audit had pointed out that the Department measured and paid various non-scheduled items without approval of analysis of rates by competent authority.

The Department explained that work was awarded to the lowest contractor at cost of Rs.3,955,630/- and project was completed with an expenditure of Rs.3,804,200/-. The items against which an expenditure of Rs.917,601/- was incurred existed in TS estimate and bid schedule approved by competent authority.

Finance Department observed that if item rate was approved by SE/competent authority, then it was OK.

The Committee settled the para subject to verification of record by Audit.

**15.4.2005** The Department explained that as a result of verification of the requisite record, the departmental contention had been accepted and verified by Audit.

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

**105. Para No.105 Page 79 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.646,405/-.**

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**6.10.2004** Audit had pointed out that the Department paid for certain non-schedule items without approval of competent authority.

The Department explained that estimate of all the work was sanctioned by competent authority in which the said non-schedule items also existed. The work was awarded to the lowest bidder and the expenditure was incurred within the permissible limits.

On the verification of departmental contention by Audit, **the para was settled.**

**106. Para No.106 Page 80 of Audit Report for the year 1998-99; Irregular Payment of Rs.443,931/-.**

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**6.10.2004** Audit had pointed out that the Department paid for certain items at un-authorized rates which resulted in irregular payment to the contractor.

The Department explained that before the start of works, revised AA from Education Department was received with provision of pre-stressed RCC girders for boundary wall. Accordingly estimates were revised and non-schedule rates were approved by competent authority. The Department gave necessary details in this regard.

Departmental contention was supported by Audit. Therefore, **the para was settled.**  
**107. Para No.107 Pages 80 & 81 of Audit Report for the year 1998-99; Un-  
 authorised Expenditure of Rs.529,165/-.**

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**6.10.2004** Audit had pointed out that acceptance of rates without fair competition had resulted in un-authorized payment to the contractor.

The Department explained that the scheme was technically sanctioned for Rs.109.15 lac which was subsequently enhanced by Director, H&PP circle Multan and certain non-scheduled items were sanctioned by competent authority as the work could not be executed without such items. It was added that cost of such work could be updated in view of the difference of rates as provided in PC-I and market rates.

Audit desired that the Department should produce revised technical sanction for verification.

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



**15.4.2005** The Department explained that the requisite record was under verification.

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

**108. Para No.108 Page 81 of Audit Report for the year 1998-99; Less recovery of sewerage charges Rs.8,212,316/-.**

**8.11.2003** The Audit had pointed out that authority recovered sewerage charges from various consumers @ Rs.24,000/- per month per cubic discharges of water/sewerage instead of admissible rate of Rs.30,000/- as per gazette notification published by the authority on 19 July 1997.

The Department explained that the break up and detail of the entire outstanding amount of Rs.8,212,316/- of this para was as under:-

1.	AP No.2	Rs.3,369,366
2.	AP No.3	Rs.3,552,150
3.	AP No.8	Rs.0,645,400
4.	AP No.10	Rs.0,645,400

In all the cases the billing had been made in accordance with the approved rates/ average discharge size of pump.

The Committee directed that the record in support of departmental contention should be got verified by Audit before the next meeting of the Committee.

The para was kept pending.

**4.10.2004** The Department stated that the para consisted of four advance paras. About AP 2, it was stated that recovery of Rs.3,234,216/- as per revised rate vide notification dated 31.7.1999 had been effected. Regarding AP 3, the Department stated that on the request of the two mills, reassessment of discharge was done and billing was being done accordingly. About AP 8, and 10, it was stated that billing as per reduced size of pumps was being made.

Finance Department observed that the concerned officers had no vested authority to allow billing at reduced size of pump. It was an irregularity and the matter needed probe and inquiry.

The Committee was not satisfied with the explanation of the Department about advance paras 3, 8 and 10 and directed the Department to hold an inquiry into these matters within 30 days under intimation to PAC. Advance para No.1, was settled subject to verification of relevant record by Audit.

Subject to the above directions, the para was kept pending.



**15.4.2005** The Department explained that the requisite record was under verification.

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

**109. Para No.109 Page 82 of Audit Report for the year 1998-99; Excess payment of Rs.322,979/-.**

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**4.10.2004** The Department explained that as against the estimated cost of Rs.3,366,000/- for each unit, payment was made @ Rs.3,229,786/- per unit reflecting a saving of Rs.136,214/- per unit. It was added that while preparing estimate, deduction of income tax @ 5% was also taken into account hence no overpayment was involved in this case.

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

**110. Para No.110 Pages 82 & 83 of Audit Report for the year 1998-99; Irregular expenditure of Rs.244,750/-.**

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**7.11.2003** The Audit had pointed out that GDA purchased items worth Rs.244,750/- in violation of the prescribed procedure.

The Department explained that all the procedural formalities were fulfilled while making the purchases but Audit pointed out that the comparative statement was not prepared which was essential for the purpose.

The Committee directed the Department that in future comparative statement must be prepared while making purchases.

The para was settled.

**111. Para No.111 Page 83 of Audit Report for the year 1998-99; Un-due Financial Aid of Rs.2,044,325/- to the Contractor.**

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**5.10.2004** Audit had pointed out that early payment of secured advance had resulted in undue financial aid to contractor.

The Department explained that total amount of secured advance to the tune of Rs.2,044,325/- had been recovered which could be verified from record.

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

**15.4.2005** The Department explained that as a result of verification of the requisite record, the departmental contention had been accepted and verified by Audit.

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

**112. Para No.112 Page 84 of Audit Report for the year 1998-99; Irregular Payment of Rs.439,450/-.**

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**4.10.2004** The Department stated that the Collector main 16<sup>//</sup>, 20<sup>//</sup> and 24<sup>//</sup> dia was commissioned and put into operation after testing and disinfection.

Audit verified departmental contention.

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

**113. Para No.113 Pages 84 & 85 of Audit Report for the year 1998-99; Non-accountal of material Rs.84,000/-.**

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**4.10.2004** The Department stated that the record had already been verified by Audit.

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

**114. Para No.114 Pages 85 & 86 of Audit Report for the year 1998-99; Non-recovery of Rs.6,395,149/-.**

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**5.10.2004** Audit had pointed out that incurring of expenditure in excess of deposits and negligence in watching recoveries had resulted in non-recovery of Rs.6,395,149/-.

The Department explained that matter pertained to implementation of various schemes of Municipal/Town Committees and an amount of Rs.3,291,882/- was lying in the joint account of respective schemes. However, an inquiry into the matter had been ordered which had been entrusted to SE Multan.

The Committee directed that inquiry be finalized within 90 days under intimation to the Public Accounts Committee.

The para was kept pending.

**15.4.2005** The Department explained that the probe report had been completed and necessary

disciplinary action was under process.

The Department was directed to finalize necessary action within 90 days and **para was kept pending.**

**115. Para No.115 Page 86 of Audit Report for the year 1998-99; Non-recovery of Rs.2,427,233/-.**

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**6.10.2004** Audit had pointed out that the Department failed to recover water charges from the consumers.

The Department explained that Audit had wrongly calculated the charges from the date of completion of this scheme whereas most of the schemes had been disconnected by WAPDA for which no charges were due from the consumers. It was added that actual charges were being recovered from the consumers.

The Committee directed the Department to take appropriate steps in the matter and recover the amount wherever justified.

The para was kept pending.

**15.4.2005** The Department explained that Audit calculated the water charges from the date of completion of the schemes, which was not justified. Moreover most of the schemes were disconnected by the WAPADA for which no water charges were due from the inhabitants and water charges were being collected against the actual period of the schemes operated for water supply.

**The para was kept pending with the direction that the Department should move a summery for necessary waive off outstanding dues to the Chief Minister through the Finance Department.**

**116. Para No.116 Page 87 of Audit Report for the year 1998-99; Non-recovery of Rs.2,360,436/-.**

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**6.10.2004** Audit pointed out that the Department failed to recover water charges from the consumers.

The Department explained that the matter was probed as a result of that an amount of Rs.4,483,351/- had been recovered and deposited into Government Treasury and there was no recovery to be effected.

The Committee directed to produce the record to Audit and the para was kept pending.

**15.4.2005** The Department explained that Audit calculated the water charges from the date of

completion of the schemes, which was not justified. Moreover most of the schemes were disconnected by the WAPADA for which no water charges were due from the inhabitants and water charges were being collected against the actual period of the schemes operated for water supply.

**The para was kept pending with the direction that the Department should move a summery for necessary waive off outstanding dues to the Chief Minister through the Finance Department.**

**117.            Para No.117 Pages 87 & 88 of Audit Report for the year 1998-99; Non-recovery of Rs.2,223,340/-.**

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**6.10.2004**     Audit had pointed out that the Department failed to recover water charges from the consumers.

The Department explained that Audit had taken the targeted amount from the monthly return of the division but the said targeted amount could not be met with. In this regards, a probing report was also prepared in compliance of the Chief Engineer (North) PHED, Lahore order No.112/PAC dated 8.1.2002. As such the amount received and deposited into Government treasury in the actual amount of water charges.

The Department was directed to produce the record to Audit for verification and the para was kept pending.

**15.4.2005**     The Department explained that Audit calculated the water charges from the date of completion of the schemes, which was not justified. Moreover most of the schemes were disconnected by the WAPADA for which no water charges were due from the inhabitants and water charges were being collected against the actual period of the schemes operated for water supply.

**The para was kept pending with the direction that the Department should move a summery for necessary waive off outstanding dues to the Chief Minister through the Finance Department.**

**118.            Para No.118 Page 88 of Audit Report for the year 1998-99; Non-recovery of Rs.913,504/-.**

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**5.10.2004**     The Department explained that RWS schemes in District Jhang mostly fell in sweet zone; and, since people were not interested in water supply system as they had their own alternate arrangements to meet domestic requirements, the schemes had become non-functional and had been transferred to TMA/CBOs. However, recovery of Rs.281,691/- could only be effected from consumers and it was difficult to effect further recovery.

Finance Department observed that the Administrative Department should move a summary for waiver in this case.

The Committee observed that the department should move a summary for necessary waive off to Chief Minister through the Finance Department.

With this observation, the para was kept pending.

**15.4.2005** The Department explained that the summary for waive off had been sent to the Government and decision was awaited.

The Department was directed to pursue the case for early finalization and **para was kept pending.**

**119. Para No.119 Page 89 of Audit Report for the year 1998-99; Non-recovery of Rs.462,225/-.**

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**5.10.2004** Audit had pointed out that the department failed to recover water charges from the consumers.

The Department explained that the para was based on total number of water connections in the estimate on various schemes and maximum recovery possible had been effected. Moreover, the schemes had been transferred to User Committees along with assets and liabilities.

Audit verified the recovery of Rs.462,225/-.

The **para was accordingly settled.**

**120. Para No.120 Pages 89 & 90 of Audit Report for the year 1998-99; Non-recovery of Rs.2,268,192/-.**

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**5.10.2004** Audit had pointed out that the Department did not recover drainage charges from consumers.

The Department explained that the drainage schemes after completion were handed over to User's Committees. The Department added that no recovery in drainage schemes was possible because there was no provision to this effect in the Department's policy.

Finance Department observed that audit observation was not relevant as it was based on department's letter. However, Department may show policy letter to Audit.

The Committee accepted the reply of the Department and **settled the para.**

**121. Para No.121 Page 90 of Audit Report for the year 1998-99; Non-recovery of Rs.238,807/-.**

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**5.10.2004** Audit had pointed out that negligence in realization of dues had resulted in non-recovery of Rs.238,807/-

The Department explained that total outstanding amount had been recovered and deposited into Government Treasury which had been verified by Audit.

On the verification of departmental contention by Audit, **the para was settled.**

**122. Para No.122 Pages 90 & 91 of Audit Report for the year 1998-99; Non-recovery of Rs.977,569/-.**

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**6.10.2004** Audit had pointed out that the Department failed to recover the outstanding dues from its officers/officials/agencies.

The Department explained that recovery of PW Misc advance was very old and most of officials involved in the para had since expired and the whereabouts of the said officials were being traced out to effect recovery. It was added that recovery of Rs.6,283/- had been effected which could be verified from record.

Finance Department pointed out the misuse of suspense account, by the Department and proposed to close that account by now and suggested to make recovery and to fix responsibility for the lapses.

The Committee directed the Department to move a case for write off by competent authority in case of the deceased persons and in remaining cases recovery be effected at the earliest.

The para was kept pending.

**15.4.2005** The Department explained that efforts were being made to effect recovery from the defaulters and write off cases regarding deceased persons were being processed.

The Department was directed to finalize the necessary action at the earliest and **para was kept pending.**

**123. Para No.123 Page 91 of Audit Report for the year 1998-99; Non-recovery of Rs.189,593/-.**

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**6.10.2004** Audit had pointed out that the Department failed to recover the outstanding due from the

officer/officials/agencies.

The Department explained that Chief Engineer (North), Lahore vide his letter No.110/PAC dated 8.1.2002 had directed to probe into the matter but in the probe report it had been stated that it was not possible to fix the responsibility.

The Committee directed to produce the approved probe report to Audit for verification and the para was kept pending.

**15.4.2005** The Department explained that efforts were being made to effect recovery from the defaulters.

The Department was directed to move a case for write off by the competent authority in case of the deceased persons and in remaining cases recovery be effected at the earliest and **para was kept pending.**

**124. Para No.124 Page 92 of Audit Report for the year 1998-99; Non-recovery of Rs.162,750/-.**

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**5.10.2004** Audit had pointed out that negligence in watching timely renewal of enlistments of contractors resulted in non-recovery of Rs.162,750/-.

The Department explained that Audit had wrongly worked out the recoverable amount. Actually, enlistment and renewal fee was required to be collected at one place. Thus recovery from all contractors enlisted in PHE Division Jhang had been effected.

The Committee was satisfied with departmental explanation and **the para was settled.**

**125. Para No.125 Pages 92 & 93 of Audit Report for the year 1998-99; Non-recovery of Rs.127,808/-.**

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**6.10.2004** Audit had pointed out that negligence in watching outstanding dues resulted in non-recovery.

The Department explained that a probe was ordered to ascertain the factual position and as per findings of a probe, the amount involved was recoverable.

Finance Department of the view that irregularity of excess payment made to WAPDA was regularizable.

The Committee directed the Department to take necessary steps for effecting recovery as well as for resolution of other matters at the earliest.



The para was kept pending.

**15.4.2005** The Department explained that as per result of verification of record, the recovery of Rs.3601/- had been effected and verified by Audit.

The Department was directed to effect balance recovery and to move a write off case for the stolen cash declared un-traced by the Police and **para was kept pending.**

**126. Para No.126 Page 93 of Audit Report for the year 1998-99; Non-recovery of Rs.147,550/-**

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**6.10.2004** Audit had pointed out that the Department failed to recover stamp duty from the contractors.

The Department explained that total recovery amounting to Rs.147,550/- on account of stamp duty had been effected and deposited into Government treasury which had been verified by Audit.

Departmental contention was supported by audit, therefore **the para was settled.**

**127. Para No.127 Page 94 of Audit Report for the year 1998-99; Non-recovery of Rs.85,681/-.**

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**6.10.2004** Audit had pointed out that disregard to financial rules had resulted in non-recovery.

The Department explained that the amount of excess deposit had been adjusted from available receipts of the concerned quarters. A probe made into the matter had also verified these facts.

The Committee conditionally settled the para subject to production of record and verification thereof by Audit.

**15.4.2005** The Department explained that the requisite record was under verification.

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

**128. Para No.128 Pages 94 & 95 of Audit Report for the year 1998-99; Non-recovery of Rs.80,700/-.**

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**5.10.2004** Audit had pointed out that the Department failed to recover professional tax and stamp duty from the contractors.

The Department explained that total recovery of Rs.80,700/- on account of professional tax had been effected from the contractors.

Audit pointed out that no recovery on account of stamp duty had been made; whereas; record about recovery of professional tax was also not produced.

The Committee conditionally settled the para subject to production of record and verification thereof by Audit.

**15.4.2005** The Department explained that the complete recovery of professional tax had since been effected from the respective contractors.

The Department was directed to get the requisite record verified by the Audit and **para was kept pending.**

#### **129. Para No.129 Page 95 of Audit Report for the year 1998-99; Non-recovery of Rs.58,000/-**

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**6.10.2004** Audit had pointed out that the Department failed to recover professional tax from the contractors.

The Department explained that recovery on account of professional tax had been effected and adjusted through the TE dated 8.6.1999 which could be verified from the available record.

Departmental contention was supported by Audit. Therefore, **the para was settled.**

#### **130. Para No.130 Pages 95 & 96 of Audit Report for the year 1998-99; Non-recovery of Rs.48,000/-.**

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**5.10.2004** Audit had pointed out that the department failed to recover professional tax from the contractors.

The Department explained that total amount of Rs.48,000/- on account of professional tax had been recovered which could be verified by Audit.

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

**15.4.2005** The Department explained that the complete recovery of professional tax had since been effected from the respective contractors.

The Department was directed to get the requisite record verified by the Audit and **para was kept pending.**

**131. Para No.131 Page 96 of Audit Report for the year 1998-99; Non-recovery of Rs.215,175/-.**

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**6.10.2004** Audit had pointed out that the Department failed to recover Misc. PW advance from various officials.

The Department explained that an amount of Rs.56,137/- had been adjusted/recovered and that balance amount would be adjusted/recovered soon.

Audit stated that as a result of verification, the para was reduced to Rs.129,369/-.

The Committee conditionally settled the para subject to balance recovery and its verification by Audit.

**15.4.2005** The Department explained that efforts were being made to adjust/recover the balance amount.

The Department was directed to effect balance recovery /adjustment and **para was settled subject to verification of relevant record.**

**132. Para No.132 Page 97 of Audit Report for the year 1998-99; Non-recovery of Rs.162,561/-.**

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**6.10.2004** Audit had pointed out that the Department failed to recover the outstanding dues from its employees.

The Department explained that recoveries of Rs.44,900/- and Rs.11,495/- had been effected. It was added that case for write of in respect of Rs.18,176/- was under process and an amount of Rs.66,015/- had been converted into draft para No.2/86-87. The remaining amount viz Rs.21,975/- would be recovered/adjusted within three months.

The para was conditionally settled subject to recovery of outstanding amounts and verification thereof by Audit.

**15.4.2005** The Department explained that efforts were being made to adjust/recover the balance amount.

The Department was directed to effect balance recovery /adjustment and **para was settled subject to verification of relevant record**

**133. Para No.133 Pages 97 & 98 of Audit Report for the year 1998-99; Non-**

**recovery of Rs.80,366/-.**

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**6.10.2004** Audit had pointed out that the Department did not recover outstanding dues from various officials despite lapse of several years.

The Department explained that expenditure incurred on POL and repair charges of two Government vehicles could not be adjusted due to non-availability of funds during the year 1996-97. Therefore, for the purpose of adjustment, a transfer entry had now been prepared for debit of uncovered expenditure to Budget 2004-05.

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

**15.4.2005** The Department explained that the complete recovery had been effected.

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

**134. Para No.134 Page 98 of Audit Report for the year 1998-99; Non-recovery of Rs.76,320/-.**

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**5.10.2004** Audit had pointed out that the department failed to recover outstanding Misc. P.W. advances, despite lapse of considerable period.

The Department explained that recovery process was continuing.

The para was kept pending for effecting recovery at the earliest.

**15.4.2005** The Department explained that efforts were being made to effect balance recovery.

The Department was directed to effect balance recovery within 90 days and **para was kept pending.**

**135. Para No.135 Pages 98 & 99 of Audit Report for the year 1998-99; Non-recovery of acquifer charges Rs.1,426,329/-.**

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**8.11.2003** The Audit had pointed out that Recovery Division WASA failed to recover aquifer charges from certain industrial users outstanding since January 1994.

The Department explained that as regards AP No.13 out of total amount of Rs.916,029/- an amount of Rs.454,719/- had been recovered and efforts were being made to recover the balance amount of Rs.461,310/-. As regards A.P. No.15, no amount was recoverable.

The Committee directed that the recovery/record be got verified by Audit.

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

**4.10.2004** The Department stated that the para consisted of two advance paras. Regarding Advance Para 13, it was stated that out of total amount of Rs.916,029/-, an amount of Rs.502,425/- had been recovered and relevant record was available for verification. About AP 15, the Department explained that the billing at reduced size of pump as agreed by Deputy Director Revenue was made.

Finance Department pointed out that the Deputy Director (Rev) was not authorized to allow billing at reduced size of pump without approval of competent authority.

The Committee was not satisfied with the reply of the Department and directed that an inquiry be conducted into the matter within 30 days under intimation to PAC.

The para was kept pending.

**15.4.2005** The Department explained that the requisite record was under verification.

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

**136. Para No.136 Page 99 of Audit Report for the year 1998-99; Non-recovery of water/sewerage charges Rs.114,786,688/-.**

**8.11.2003** The Audit had pointed out that Recovery Division WASA failed to recover its legitimate water and sewerage charges from the consumers. This resulted in non recovery of Rs.114,786,688/-.

The Department stated that recovery viz Rs.7,250,890/-, Rs.207,357/- and Rs.63,542/- had hardly been effected from the consumers and sterns efforts were being made to effect the balance recovery.

The Departmental further explained that the amount of Rs.100,796,848/- had been taken by the Audit from the demand and collection report for the period from 1.7.1978 to 16.12.1998 (last 20 years) and had not provided the consumer-wise details and contended that this amount was in fact the duplication of the amounts shown at outstanding during the relevant years.

The Committee directed that the balance recovery should be effected and the record in support of recovery/departmental contention should be got verified by Audit.

The para was kept pending.

**4.10.2004** The Department explained that an amount of Rs.4,309,507/- had already been recovered and got verified by Audit. The Department gave details of further recoveries which were ready for

verification and explained position of challans forwarded to court for trial. The Department further stated that another amount of recovery had been picked up by Audit from demand and collection report for the last 20 years which tantamounted to duplication of audit observations.

The Committee directed that the Department should coordinate with and produce relevant record to Audit for verification/reconciliation.

The para was kept pending.

**15.4.2005** The Department explained that the requisite record was under verification.

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

**137. Para No.137 Page 100 of Audit Report for the year 1998-99; Non-recovery of Rs.2,453,134/-.**

**7.11.2003** The Audit had pointed out that Estate Management Directorate of the authority failed to receive the balance amount of Development Charges from the successful bidders to whom the plots/flats were allotted during February 1974 to December 1998.

The Department explained that the para related to recovery of cost of land /interest/ restoration fee from the allottees of plats in Avenue Colony, Madina Town, Gulistan Colony No.1, Quaid-e-Azam Block Allama Iqbal Colony, Recovery of Rs.753,290/- had been verified by Audit leaving a balance of Rs.1,699,844/-.

The Committee discussed the matter and was inclined to recommend that as one time facility the payment of actual charges minus penalty in case of 5 marla plots may be allowed across the board in all Government Housing Colonies.

The para was kept pending.

**4.10.2004** The Department explained that the para related to recovery of cost of land, development charges and interest amount from poor residents of Katchi Abadi. However, partial recovery could be made so far.

The para was kept pending for recovery.

**15.4.2005** The Department explained that efforts were being made to effect balance recovery.

The Department was directed to effect balance recovery within 90 days and **para was kept pending.**

**138. Para No.138 Pages 100 & 101 of Audit Report for the year 1998-99; Non-recovery of professional tax Rs.172,000/-.**

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**4.10.2004** The Department explained that as a result of verification of record the para had been reduced to Rs.25,000/-.

Audit pointed out that cash book and other relevant record be produced by Department in support of its contention.

Finance Department observed that either the rules be amended or the cash book be maintained.

The Committee settled the para subject to verification of cash book and other relevant record by Audit.

**15.4.2005** The Department explained that the requisite record was under verification.

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

**139. Para No.139 Page 101 of Audit Report for the year 1998-99; Non-recovery of Risk & Cost Rs.103,832/-.**

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**4.10.2004** Audit had pointed out that WASA, Faisalabad Development Authority, awarded a rescinded work to another contractor but recovery of risk and cost was not made from original defaulter which resulted in loss of Rs.103,832/-.

The Department stated that corrected amount of recovery was Rs.91,824/- which had since been recovered.

Audit, however, pointed out that Department was unable to prove their contention fully and an amount of Rs.12,008/- was still recoverable.

The Committee settled the para subject to verification of record by the Audit.

**15.4.2005** The Department explained that the complete recovery had been effected.

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

**140. Para No.140 Page 102 of Audit Report for the year 1998-99; Non-recovery of advance payment-Rs.1,706,096/-.**

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**8.11.2003** The Audit had pointed out that the P&S Division failed to recover interest on advance payment of Rs.2,300,000/- as the Bank Guarantee was expired on 8th March 1994 and was not renewed by the contractor. Non recovery of interest resulted in loss of Rs.1,706,096/- to the authority.

The Department explained that the contractor had already completed the work for which an amount of Rs.2,300,000/- was paid in advance to him. Therefore, no interest was liable to be recovered from the contractor on account of the expiry of the bank guarantee.

The Audit had verified the departmental contention.

The para was settled.

**141. Para No.141 Pages 102 & 103 of Audit Report for the year 1998-99; Non-recovery of Rs.111.97 Million.**

**7.11.2003** The Audit had observed that RDA WASA had failed to recover the above mentioned recoverable amount from various agencies/consumers on account of arrears of water charges.

The Department explained as under:-

- i) When the filtration plant was taken over by RDA WASA from the Public Health Engineering Department on 1.7.1996 an amount of Rs.62.72 million was outstanding against MES and RMC. As per decision of Project Steering Committee, these arrears were to be recovered by PHE Department and not by WASA.
- ii) As per award of Arbitration an amount of Rs.5.95 million was recoverable from RMC out of which RMC had paid Rs.4.50 million and had promised to pay the balance amount of Rs.1.43 million as soon as the funds were available.
- iii) The balance amount of arrears amounting to Rs.35.04 million had since been recovered from the consumers.

The Committee directed that the receivable amount may be got reconciled with Audit.

The para was settled subject to verification of recovery /record.

**4.10.2004** The Department stated that the demand of balance of Rs.1.43 million stood established and was raised against TMA (default RMC) which had made a counter claim against WASA and had requested for necessary adjustment.

Finance Department observed that matter of recovery was between two Government Departments/institutions and recommended the para for settlement.

In view of departmental explanation and recommendation of Finance Department, the **Committee settled the para.**

**142.            Para No.142 Pages 103 & 104 of Audit Report for the year 1998-99;  
Short recovery of Rs.54.78 million.**

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**7.11.2003**      The Department explained that the recovery of bulk supply of water to Military Engineering Service for the year 1998-99 had been made according to the O & M cost sharing formula approved by the Joint Water Board and no short realization of dues was involved.

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

**4.10.2004**      The Department stated that MES could not be termed as domestic or commercial consumer because MES at its end was supplying water through its own distribution system. Therefore, MES was taken as bulk water supply consumer and was charged accordingly. However, now the rates had been enhanced to Rs.15/- and the recovery was being effected according to revised rates. The Department added that all relevant record had already been verified by Audit.

The Committee observed that the Department should show relevant documents to Audit.

With this observation, **the para was settled.**

**143.            Para No.143 Page 104 of Audit Report for the year 1998-99; Non  
recovery of balance Rs.5.327 Million.**

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**6.11.2003**      The Audit observed that the Department failed to recover an amount of Rs.5.327 million on account of balance installments of plots from the allottees in Mohlanwal Housing Scheme.

The Department explained that the development work could not be completed on the above mentioned scheme within the prescribed time. The allottees asking for refund of their deposited advance money. Presently 80% development work had been completed except certification of the scheme which was delayed due to change of site of the grid station.

The Department ensured that the remaining development work would be completed by the end of current financial year.

The Committee directed that the recovery of the balance amount be pursued vigorously and all the basic facilities should be provided to the allottees as were announced in the scheme.

The para was kept pending for balance recovery.

**4.10.2004**      The Department stated that second revised administrative approval had been accorded by the competent authority in the meeting dated 16.8.2004 and the target period for completion of grid station/main feeder line and other allied works was six months. The Department was of the view that

allottees would now willingly pay balance cost/installments on completion of development work and requested that at least one year's time be given for recovery from allottees.

The Committee acceded to the request of the Department and kept the para pending.

**15.4.2005** The Department explained that LDA had deposited the sharing cost with WAPDA who were on the job of construction of Grid Station which was expected to be completed by the end of this year 2005 and LDA had so far collected Rs.6,59,409/- during fiscal year 2004-05 and possession of the plot was given on payment of all outstanding dues.

The Department was directed to effect balance recovery and **para was settled subject verification of relevant record by Audit.**

**144. Para No.144 Pages 104 & 105 of Audit Report for the year 1998-99; Non recovery of balance Rs.4.732 Million.**

**6.11.2003** Audit observed that E&M Division, U.D.Wing, LDA failed to make recovery of Rs.4.732 million of extension charges of building construction period.

The Department explained that the notices for recovery of outstanding capital value tax had been issued to the transferee on 24.9.1994 and 13.9.2003. The case had been referred to the Tehsildar recovery for recovery of CVT as arrears of Land Revenue. So far as the surcharge on the extension period was concerned that will be recovered from the owners when they will come for completion certificate.

The Committee directed that vigorous efforts be made to recover the balance amount from the defaulters. The para was kept pending for balance recovery.

**4.10.2004** The Department stated that as against the demand of Rs.100,800/- as CVT in respect of plot No.35 Civil Centre Block, Johar Town, the transferee had provided copy of deposited challan of Rs.126,800/-, the verification of which was being sought from Wealth Tax Department. As for the outstanding surcharge in extension period, the Department stated it would be recovered in due course as and when owners approached for completion certificate or applied for extension in building period.

The Committee settled the para subject to recovery of outstanding surcharges in due course and verification thereof by audit under intimation to PAC as well as verification of deposited challan by Wealth Tax Department.

**15.4.2005** The Department explained that neither any of these allottees/owners had so far deposited outstanding building period extension charges nor had applied for further extension in building period.

The Department was directed to effect recovery of outstanding surcharge at the earliest under intimation to PAC and **para was settled subject to verification of relevant record by Audit.**

**145. Para No.145 Pages 105 & 106 of Audit Report for the year 1998-99; Short recovery of Rs.1,494,435/-.**

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**7.11.2003** The Audit had observed that authority charged less rate of bulk water supply from National Institute of Health.

The Department explained that in the absence of any specified rate for bulk water supply NIH was billed on the basis of O&M cost which was already approved by the joint Water Board for the subject period i.e. 1-3-1996 to 31-3-1999.

The Audit pointed out that the rates should be regularized by the competent authority.

The Committee settled the para subject to regularization of rates by the competent authority.

**4.10.2004** The Department stated that the issue of formal regularization of water rates charged from NIH and NARC was placed before Governing Body/Authority in its meeting dated 30.9.2004 which approved the rates and minutes of the said meeting were supplied to Audit.

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

**146. Para No.146 Page 106 of Audit Report for the year 1998-99; Short Recovery of Rs.14,724,725/-.**

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**7.11.2003** The Audit had pointed out that the GDA failed to recover the targeted amount of rent of commercial plazas as per budget estimates for the year 1995-96 to 1997-98.

The Department explained that the actual recoverable amount had since been recovered and now only a sum of Rs.5,467/- was recoverable.

The para was settled subject to recovery of balance amount and its verification by Audit.

**4.10.2004** The Department stated that the record had been produced to Audit for verification.

Audit stated that record had been verified and accepted by it.



**150. Para No.150 Pages 108 & 109 of Audit Report for the year 1998-99; Non recovery of Rs.120,980/-.**

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**6.11.2003** Audit observed that the Estate Management Wing of LDA failed to recover an amount of Rs.120,980/- on account of gas charges from various allottees.

The Department explained that the total amount had been recovered and the record had been verified by the Audit.

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

**151. Para No.151 Page 109 of Audit Report for the year 1998-99; Loss of Rs.217,604/-.**

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**5.10.2004** Audit had pointed out that non-recovery of penalty from contractors had resulted in loss of Rs.217,604/-.

The Department explained that in case of M/S Faiz-ur-Rehman, extension was accorded by competent authority without penalty. In case of M/S N.W Construction Co. the proprietor had expired and his security stood released prematurely by Saleh Muhammad, EE who had since been dismissed from service. Therefore, recovery in this case was not possible.

The Committee directed the department to produce requisite record to Audit for verification.

The para was kept pending.

**15.4.2005** The Department explained that no excess payment was involved.

The Department was directed to get the requisite record verified by the Audit within 90 days and **para was kept pending.**

**152. Para No.152 Page 110 of Audit Report for the year 1998-99; Unjustified expenditure of Rs.1,820,540/-.**

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**7.11.2003** The Department explained that the increased consumption of aluminium sulphate in the Filtration Plant during 1997-98 as compared to the year 1996-97 was justified on technical grounds and Audit observation was not correct.

The Audit had verified the departmental contention. The **para was settled.**

**PERFORMANCE AUDIT REPORT REGARDING MUSTAFA**

## **TOWN HOUSING SCHEME**

**15.4.2005**      Administrative Secretary submitted the report on Mustafa Town Housing Scheme  
The Committee deferred the discussion on Mustafa Town Housing Scheme Report and decided to discuss it in its next meeting so that the Committee could have ample time to study the Report.



The Committee examined the Accounts of the Industries & Mineral Development Department in its meeting held on 3.7.2002, 12.4.2004 and 3.11.2004 and made the following recommendations:-

### Audit Paras (Commercial) for the year 1998-99

**1. Para No.3(xv) Page 6 of Audit Report for the year 1998-99; Punjab Government Printing Press, Bahawalpur.**

**12.4.2004** The Audit pointed out that the accounts of the department for the year 1997-99 were received late and printed in ARPSE 1999-2000.

**The Committee settled the para with the direction that the department should submit its accounts to Audit well in time.**

**2. Para No.3(xvi) Page 7 of Audit Report for the year 1998-99; Punjab Government Printing Press, Lahore.**

**12.4.2004** The Audit pointed out that the accounts of the department for the year 1997-99 were received late and printed in ARPSE 1999-2000.

The Committee settled the para with the direction that the department should submit its accounts to Audit well in time.

**3. Para No.3(xvii) Page 7 of Audit Report for the year 1998-99;  
Government Weaving and Finishing Centre, Shahdara, Lahore.**

**12.4.2004** The Audit pointed out that the accounts for the year 1998-99 were received late and accordingly printed in ARPSE 1999-2000.

The Committee settled the para with the direction that the department should submit the annual accounts well in time in future.

**4. Para No.3(xviii) Page 7 of Audit Report for the year 1998-99;  
Government Wool Spinning and Weaving Development-cum-Training Centre,  
Jhang.**

**12.4.2004** The Audit pointed out that the accounts of center in question for the year 1998-99 were received late and printed in ARPSE 2000-01.

The Committee settled the para with the direction that the department should submit their accounts well in time in future.

**5. Para No.3(xix) Page 7 of Audit Report for the year 1998-99; Punjab Mineral Development Corporation, Lahore.**

**12.4.2004** The Department explained that the accounts for the year 1998-99 to 2000-2001 were under process which would be completed and produced to audit soon.

The Committee kept the para pending with the direction that the department should submit the requisite accounts to audit within 30 days.

**3.11.2004** The Department stated that the accounts for the year 1998-99 to 2000-2001 had been provided to Audit for verification.

Audit verified the departmental contention and the **para was settled.**

**6. Para No.3(xx) Page 7 of Audit Report for the year 1998-99; Punjab Small Industries Corporation.**

**12.4.2004** The Audit pointed out that the accounts of PSIC for the year 1996-1999 were due on January 15, 1997-98 and 1999 but the same were received late and printed in ARPSE for the year 1999-2000 & 2001.

The Committee settled the para with the direction that the department should submit its accounts well before time in future.

**7. Para No.3(xxi) Page 7 of Audit Report for the year 1998-99; Punjab Industrial Development Board.**

**12.4.2004** D.G. (Commercial) Audit pointed out that the accounts of the Department for the year 1997-1999 were received on 5-3-2004 which were found incomplete.

The Department explained that accounts relating to 1996-97 were discussed and settled in the PAC meeting held on 16 June 2001. The Board was dissolved on 31 December 1997 and was not functional. However, due to non availability of staff, the receipts and payments of accounts were prepared after 31<sup>st</sup> December 1998 which were provided to the Audit during the course of commercial audit of the respective years. However, audited accounts and receipts and payment accounts were again provided to Audit in February 2004.

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

**8. Para No.15 Page 22 of Audit Report for the year 1998-99; Wasteful expenditure of Rs.10.823 million due to improper feasibility of Waula Project.**

**12.4.2004** The Department furnished a detailed explanation concluding that the scheme had been considered by all competent forums including PDWP who decided to wind up the project and advised that losses be reflected in PUNJMIN balance sheet as “Sunk Cost”. The Department requested for the settlement of the para.

Finance Department observed that it had no objection in this regard.

The Committee accepted the explanation of the department and **settled the para accordingly.**

**9. Para No.16 Page 23 of Audit Report for the year 1998-99; Misappropriation of Rs.182,466/- by a Project Officer.**

**12.4.2004** Audit had pointed out misappropriation of service charges and dues of Rs.111,067/- by Chief Project Officer in PSIC Leather Service Centre, Kasur, and that in the same centre various jobs amounting to Rs.71,339/- were shown cancelled but original copies of bids/jobs were not available.

The Department explained that the matter was being probed by an Inquiry Committee constituted by the management with a view to fixing responsibility on 4 officials of TEVTA and two officials of PSIC.

The Committee kept the para pending and directed that the department should finalize the inquiry proceedings/matter at the earliest.

**3.11.2004** Managing Director explained that inquiry had been finalized and a penalty of Rs.124,000/- had been imposed on the responsible and the charges against the management could not be proved.

The representative of Finance Department suggested that the para may be kept pending till receipts of Audit comments and status of recovery.

In view of the observations made by the Finance Department the **para was kept pending.**

**10. Para No.17 Pages 23 & 24 of Audit Report for the year 1998-99; Irregular and unjustified payment of Rs.11.239 million on irregular appointment of 138 employees.**

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**12.4.2004** The Department explained the officers of the PSIC who made irregular appointments during the ban period were proceeded against under the rules. Those who were found guilty were penalized by the Competent Authority. It was further stated that inquiry proceedings against officials up to BS-16 were withdrawn as approved by PSIC Board in its meeting held on 15-3-2004.

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

**11. Para No.18 Page 24 of Audit Report for the year 1998-99; Non recovery of loan amounting to Rs.2.955 million sanctioned under rural Industrialization programme.**

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**12.4.2004** The Department explained that the entire recoverable amount had been recovered and verified by audit.

On the recommendation of audit, the **committee settled the para.**

**12. Para No.19 Pages 24 & 25 of Audit Report for the year 1998-99; Doubtful recovery of loan amounting to Rs.1,277,261/- from the loanees/chronic defaulters.**

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**12.4.2004** The Department explained that the entire recoverable amount had been recovered and verified by audit.

On the recommendation of audit, the **committee settled the para.**

**13. Para No.20 Pages 25 & 26 of Audit Report for the year 1998-99; Wasteful expenditure of Rs.592,734/- on the accounts of preparation of P.C-I and consultancy.**

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**12.4.2004** The Department explained that in connection with the plan for construction of PSIC House, an amount of Rs.592,734/- had been incurred on the provision of services viz preparation of design/detailed design, submission drawings and payment of fee to LMC for approval of building plan which could not be termed as wasteful expenditure because the same was paid for services rendered. The feasibility was prepared but due to non-allocation of funds

by Punjab Government, no further progress for the construction of PSIC House could take place.

The Committee accepted the explanation of the department and **settled the para.**

**14.            Para No.21 Page 26 of Audit Report for the year 1998-99; Shortage of assets and stores worth Rs.606,705/-.**

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**12.4.2004**      The Department explained that the center in question along with assets and liabilities had been transferred to TEVTA.

The Committee approved the transfer of this para to TEVTA which should explain the position in PAC meeting as and when fixed.

**3.11.2004**      Audit pointed out that neither TEVTA nor PSIC had appraised the latest position of the para.

The **para was kept pending** for explaining the latest position by TEVTA in the next meeting.

**15.            Para No.22 Pages 26 & 27 of Audit Report for the year 1998-99; Wasteful expenditure of Rs.650,191/- on the construction of staff quarters in small industries estate Sargodha.**

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**12.4.2004**      The Department explained that the 8 quarters for low-paid employees were properly constructed under appropriate supervision. However, after some time, these quarters were badly affected due to water logging and adverse sub-soil water conditions and soon became not worth living. The case for selling of these quarters through open auction was under process.

Finance Department observed that construction was done quite some time back but the quarter were not properly utilized.

The Committee settled the para subject to write off sanction by the competent authority with the direction that the quarters be disposed of through auction.

**3.11.2004**      The Department stated that staff quarters and the state residence had been made and the amount thereof received had been transferred to PSIC.

Audit verified the departmental contention and recommended the para for settlement.

The **Committee settled the para.**

**16. Para No.23 Pages 27 & 28 of Audit Report for the year 1998-99; Overpayment of house rent allowance of Rs.272,598/- on move-over.**

**12.4.2004** The Department explained that the PSIC had implemented the decision of the court and House rent allowance to the PSIC employees had been brought to the level at par with the Government employees.

The **para was settled.**

**17. Para No.24 Page 28 of Audit Report for the year 1998-99; Unjustified grant of financial assistance of Rs.1,190,000/- for establishment of hotels and non recovery of PSIC dues Rs.1.837 million.**

**12.4.2004** The Audit pointed out that loans were granted to 4 borrowers for the establishment of hotels which being in village area met with failure and recovery of dues could also not be made.

The Department explained that Awami hotel had repaid entire amount and auction proceedings of mortgaged property had been initiated in the remaining cases.

The Committee directed that the department should effect the recovery at the earliest under intimation to PAC.

The Para was kept pending.

**3.11.2004** The Managing Director stated that out of four borrowers three had paid entire amount of loan and the remaining one loanee had promised to refund the entire loan before 20.11.2004. However, the assets had been mortgaged and the recovery will be made shortly.

The Committee directed to pursue the recovery and the **para was kept pending.**

**18. Para No.25 Page 29 of Audit Report for the year 1998-99; Mis-utilization of loan and non recovery of Rs.1.076 million from M/s MMS**



## **Garments, Faisalabad.**

**12.4.2004** The Audit pointed out that the Department could not effect the recovery despite the lapse of a considerable period.

The Department explained that for unlawful removal of entire machinery from the project premises, an FIR was lodged against the borrower besides filing a criminal petition in the Banking Court for unlawful removal of machinery and recovery of outstanding dues. Both the cases were being pursued.

The para was kept pending.

**3.11.2004** Managing Director explained that the register by the PSIC was still pending in the Banking Court. The party concerned had also filed a case in the court of Civil Judge, Faisalabad praying to declare them as insolvent. The next date of hearing was 27.11.2004.

Committee directed to pursue the cases vigorously and the **para was kept pending.**

**19. Para No.26 Pages 29 & 30 of Audit Report for the year 1998-99; Mis-utilization of loan amounting to Rs.0.363 million by M/S. Aziz Ul Hassan Soap Factory, Khushab.**

**12.4.2004** The Audit pointed out that the Department could not effect the recovery despite the lapse of a considerable period.

The Department explained that the project had been declared defaulter and Tehsildar Recovery was taking appropriate action. Proceedings for auction of mortgaged property were in hand. All efforts were being made to effect recovery.

The para was kept pending with the direction that the Department should effect recovery at the earliest.

**3.11.2004** Managing Director explained that under the scheme for up gradation of rural area, Industrialization programme was launched. Loan was disbursed by PSIC. After availing the loans, the concerned loanee removed the machinery. The project had been declared defaulter. FIR had been filed against the defaulter. The Auction Committee arranged the auction of mortgaged property but auction failed due to non-participation of peoples. The value of mortgaged property was more than the loan given.

Finance Department observed that the departmental staff was equal responsible for



the removal of machinery from the sight.

The Department failed to adopt safety measures of the installed machinery.

The Committee directed the department to fix the responsibility and pursue the case in the court for early decision and the **para was kept pending.**

**20. Para No.27 Page 30 of Audit Report for the year 1998-99; Non recovery of Rs.886,853/- from M/s. Al-Faran Ice Factory closed since 1998.**

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**12.4.2004** The Audit pointed out that the Department could not effect the recovery despite the lapse of a considerable period.

The Department explained that loanee had repaid Rs.190,000/- up to 31.12.2003, but later he was declared defaulter and proceedings for recovery as arrears of land revenue were continuing.

The para was kept pending with the direction that the department should effect balance recovery at the earliest.

**3.11.2004** Managing Director explained that under the scheme for up gradation of rural area, Industrialization programme was launched. Loan was disbursed by PSIC. After availing the loads, the concerned loanee removed the machinery. The project had been declared defaulter. FIR had been filed against the defaulter. The Auction Committee arranged the auction of mortgaged property but auction failed due to non-participation of peoples. The value of mortgaged property was more than the loan given.

Finance Department observed that the departmental staff was equal responsible for the removal of machinery from the sight.

The Department failed to adopt safety measures of the installed machinery.

The Committee directed the department to fix the responsibility and pursue the case in the court for early decision and the **para was kept pending.**

**21. Para No.28 Page 31 of Audit Report for the year 1998-99; Doubtful recovery of Rs.21.552 million from the loanees whose projects do not exist.**

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**12.4.2004** The Audit pointed out that the Department could not effect the recovery despite

the lapse of a considerable period.

The Department explained that five cases out of 29 identified by audit were redeemed and efforts were being made for balance recovery as arrears of land revenue.

The para was kept pending with the direction that the Department should effect recovery at the earliest.

**3.11.2004** Managing Director explained that under the scheme for up gradation of rural area, Industrialization programme was launched. Loan was disbursed by PSIC. After availing the loads, the concerned loanee removed the machinery. The project had been declared defaulter. FIR had been filed against the defaulter. The Auction Committee arranged the auction of mortgaged property but auction failed due to non-participation of peoples. The value of mortgaged property was more than the loan given.

Finance Department observed that the departmental staff was equal responsible for the removal of machinery from the sight.

The Department failed to adopt safety measures of the installed machinery.

The Committee directed the department to fix the responsibility and pursue the case in the court for early decision and the **para was kept pending**.

**22.            Para No.29 Pages 31 & 32 of Audit Report for the year 1998-99; Doubtful recovery of Rs.568,036 from qudsia poultry farm, Lahore.**

**12.4.2004** The Audit pointed out that the Department could not effect the recovery despite the lapse of a considerable period.

The Department explained that case had been referred to District Collector for effecting recovery as arrears of land revenue. Further, second charge of loan of ADBP against mortgaged property had no bar on PSIC interest as whenever these assets were auctioned PSIC would have first right.

The Committee kept the para pending with the direction that the Department should effect recovery at the earliest.

**3.11.2004** Managing Director explained that under the scheme for up gradation of rural area, Industrialization programme was launched. Loan was disbursed by PSIC. After availing the loads, the concerned loanee removed the machinery. The project had been declared defaulter. FIR had been filed against the defaulter. The Auction Committee arranged the auction of mortgaged property but auction failed due to non-participation of peoples. The value of mortgaged property

was more than the loan given.

Finance Department observed that the departmental staff was equal responsible for the removal of machinery from the sight.

The Department failed to adopt safety measures of the installed machinery.

The Committee directed the department to fix the responsibility and pursue the case in the court for early decision and the **para was kept pending.**

**23.            Para No.30 Pages 32 & 33 of Audit Report for the year 1998-99; Doubtful recovery of Rs.852,541/- from M/s Sun Cold Industries Corporation, Sheikhupura.**

**12.4.2004**      The Audit pointed out that the Department could not effect the recovery despite the lapse of a considerable period.

The Department explained that local staff had recovered a sum of Rs.120,000/- and case for further recovery as arrears of land revenue was being pursued.

The para was kept pending with the direction that Department should effect recovery at the earliest.

**3.11.2004**      Managing Director explained that under the scheme for up gradation of rural area, Industrialization programme was launched. Loan was disbursed by PSIC. After availing the loads, the concerned loanee removed the machinery. The project had been declared defaulter. FIR had been filed against the defaulter. The Auction Committee arranged the auction of mortgaged property but auction failed due to non-participation of peoples. The value of mortgaged property was more than the loan given.

Finance Department observed that the departmental staff was equal responsible for the removal of machinery from the sight.

The Department failed to adopt safety measures of the installed machinery.

The Committee directed the department to fix the responsibility and pursue the case in the court for early decision and the **para was kept pending.**

**24.            Para No.31 Page 33 of Audit Report for the year 1998-99; Doubtful recovery of Rs.592,064/- from M/s. Siddique Fabrics of Kasur.**

**12.4.2004** The Department explained that the entire recoverable amount had been recovered and verified by audit.

On the recommendation of audit the **committee settled the para.**

**25. Para No.32 Page 34 of Audit Report for the year 1998-99; Doubtful recovery of Rs.694,000/- due to loaning on already mortgaged property.**

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**12.4.2004** The Audit pointed out that the Department could not effect the recovery despite the lapse of a considerable period.

The Department explained that a sum of Rs.140,000/- was recovered up to 30.9.1999. Meanwhile, Banking Court auctioned entire property of the loanee for discharging liabilities of PSIC and ICP. The latter had gone into appeal in Lahore High Court Bahawalpur Bench and, therefore, recovery at this stage was not possible due to the case being subjudice.

The committee kept the para pending.

**3.11.2004** Managing Director explained that upto 30.9.1999 a sum of Rs.140,000/- was recovered from the loanee but due to non-payment of remaining amount the party was declared as defaulter. Later it was emerged that the loanee was also defaulter of Investment Corporation of Pakistan and Banking Court, Bahawalpur auctioned the entire property for discharging liabilities of PSIC as well as Investment Corporation of Pakistan.

M/S Welcome Oil (Pvt.) Ltd. And PSIC had lodged appeal in the High Court separately which had been accepted for hearing.

The Committee directed to pursue the court cases and **kept the para pending** being sub-judice.

**26. Para No.33 Pages 34 & 35 of Audit Report for the year 1998-99; Non recovery of Rs.606,000/- from M/s. Stich and Style Ready Made Garment.**

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**12.4.2004** The Audit pointed out that the Department could not effect the recovery despite the lapse of a considerable period.

The Department explained that a case against the loanee for removing machinery from the site had been got registered besides efforts for effecting recovery as arrears of land

revenue. Moreover, the auction of mortgaged property was under process.

The para was kept pending with the direction to effect recovery at the earliest.

**3.11.2004** The Department explained that the loanee was paid Rs.427,000/- but he did not refunded even a single penny up till now and had been declared defaulter under Land Revenue Act. The date of auction of the mortgaged property was fixed but the party had approached PSIC for payment of dues.

The Committee directed to recover the amount and fix responsibility of the staff who failed to adopt safety measures of the installed machinery and the **para was kept pending**.

**27. Para No.34 Pages 35 & 36 of Audit Report for the year 1998-99; Theft of mortgaged machinery valuing Rs.350,000/- and non recovery of loan Rs.456,171/- from a party.**

**12.4.2004** The Department explained that the entire recoverable amount had been recovered from the borrowers.

On the recommendation of audit the committee **settled the para**.

**28. Para No.35 Page 36 of Audit Report for the year 1998-99; Loss of Rs.0.790 million due to defective and incomplete jobs.**

**12.4.2004** Audit had pointed out loss due to defective/incomplete jobs.

The Department explained that all the said 18 pending jobs amounting to Rs.790,092/- had been dispatched to the concerned departments. The amounts from the concerned Departments had been received in advance except two Departments viz Education & Health Departments. Thus an amount of Rs.36,000/- was outstanding against District Education Officer, Rahim Yar Khan and District Health Officer, Toba Tek Singh.

The Committee settled the para to the extent of amount received in advance/ recovery effected and kept the remaining para pending till balance recovery of Rs.36,000/-.

**3.11.2004** The Department explained that out of Rs.36,000/- a sum of Rs.10,000/- had been recovered and got verified by Audit. The balance amount of Rs.26,000/- was recoverable from DEO, Rahim Yar Khan and suggested that if the District Nazim was directed to allocate funds for the purpose, the amount could be adjusted.

Representative of Finance Department pointed out that funds were being given to District Government to do their job regularly.

Committee agreed with the view point of the Administrative Secretary and directed that the copy of the minutes may also be sent to the District Nazim and the **para was kept pending.**

**29. Para No.106 Page 67 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004** The para being of general nature was settled.

**30. Para No.107 Page 68 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004** The Department explained that as the Board was dissolved on 31-12-1997 and all its activities including preparation of feasibility reports were stopped. The expenditure on feasibility reports was incurred for the purpose of setting up new industries on the directions of BOD. Since PIDB was dissolved, these feasibility reports could not be implemented, hence there was no misuse of funds.

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

**31. Para No.108 Page 68 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004** Audit had pointed out that the grant of interest free loans to the employees was against financial propriety which needed to be justified.

The Department explained that no interest free loan was allowed to any employee. However, as per agreement with the CBA-Union, loans were granted to different categories of employees for construction of Houses etc at the rate of interest ranging from 7% to 11% per annum which was in line with the practice followed by the autonomous bodies of the Government.

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

**32. Para No.109 Page 68 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004** Audit wanted to know recovery position of recoverables due from Kamalia and Pattoki Sugar Mills which had been sold out in 1998.



The Department explained that the outstanding recovery against privatized Sugar Mills had since been adjusted and verified by Audit.

On the recommendation of Audit the **Committee settled the para.**

**33.            Para No.110 Page 68 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004**      Audit wanted to know status of adjustment/recovery of project loans granted to Kamalia and Pattoki Sugar Mills.

The Department explained that the outstanding recovery against privatized Sugar Mills had since been adjusted and verified by Audit.

On the recommendation of Audit the **Committee settled the para.**

**34.            Para No.111 Page 68 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004**      Audit had stressed for early recovery of the Board's dues from Pasrur Sugar Mills.

The Department explained that the Board had filed an appeal and the case was sub-judice in the Sind High Court for the recoverable amount of Rs.10.00 million from Pasrur Sugar Mills.

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

**3.11.2004**      The Department stated that legal advisor was trying for early decision. Date of hearing was fixed for 9 September 2004 the same had been cancelled by the court. The next date of hearing had not yet been fixed.

Representative of Finance Department pointed out that Administrative Department may be directed to legal advisor to expedite the case at personal level.

The **Committee kept the para pending being sub-judice.**

**35.            Para No.112 Page 69 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004** Audit had observed that the operation of Punjab Government Press, Bahawalpur was not satisfactory and profit maintained a wavering trend since 1992-93 to 1996-97.

The Department explained that being a commercial organization, it was not possible to maintain the same level of profitability. The other factors such as less receipt of paper and binding material were also to be kept in view. However, observation of audit had been noted for compliance.

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

**36. Para No.113 Page 69 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004** The Department explained that being a commercial organization, it was not possible to maintain the same level of profitability. However, the audit observation had been noted for compliance.

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

**37. Para No.114 Page 69 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004** Audit had pointed out charging of interest at lesser rates in 1995-96 as compared to 1996-97.

The Department explained that interest on the capital @ 5% was charged in the light of Clause 18 of the Press Manual. In view of audit observation, the interest on capital was being charged @16% from 1997-98.

Finance Department observed that the Press Manual needed to be updated in consultation with the Finance Department with a view to ensuring a uniform policy.

The Committee accepted the explanation of the department and **settled the para.**

**38. Para No.115 Page 69 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004** The Audit pointed out that the pensionary charges and proportionate share of headquarters were not charged to the accounts nor working papers were submitted.

The Department explained that working paper was submitted to audit on 5-4-2004.

The Committee kept the para pending with the direction that the Department should produce the record to audit for verification at the earliest.

**3.11.2004** The Department explained that proportionate share of Headquarter and pensionery share was being made in the subsequent years i.e. 1997-98 onward and verified by Audit.

The Committee accepted the explanation of the department and **settled the para.**

**39. Para No.116 Page 70 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004** Audit had suggested to recover the amounts from debtors.

The Department explained that the concerned Departments namely DC Rahimyar Khan/DCO and RTA Multan had been repeatedly requested to clear the outstanding amount of Rs.57,930/- at the earliest. Every possible effort was being made in this regard.

The Committee settled the para subject to recovery by 30 June, 2004 and verification thereof by audit.

**3.11.2004** The Department stated that a sum of Rs.49,704/- had been recovered and got verified by the Audit whereas a sum of Rs.8,226/- outstanding against RTA Multan pertaining to the year 1969-70 which was prior to commercialization of the office. The record thereof was not traceable in the office of RTA Multan. The amount in question had been written off by the competent authority as RTA had been defunct and no more functional.

The Committee accepted the explanation of the department and **settled the para.**

**40. Para No.117 Page 70 of Audit Report for the year 1998-99; Working Results.**

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**12.4.2004** The Audit pointed out that the Department was not preparing the accounts on the commercial pattern in spite of the fact that it was a commercial organization.

The Department explained that in the light of PAC directive dated 30-11-1994, the accounts were being maintained on single entry system.

The Committee in view of previous PAC directive **settled the para with the observation that accounting procedure on commercial pattern be adopted as per advice of**

**the audit.**

**41.            Para No.118 Page 71 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004**      The Audit pointed out that the Centre in question has been sustaining losses since 1992-93.

The Department explained that the manufacturing unit had since been closed and the same unit would be converted into a model training centre for weaving/finishing and dying courses.

The Committee accepted the explanation of the department and **settled the para.**

**42.            Para No.119 Page 71 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004**      The Audit pointed out that the Centre in question had been sustaining losses.

The Department explained that the manufacturing unit had since been closed and the same unit would be converted into a model training centre for imparting training in the relevant fields.

The Committee accepted the explanation of the department and **settled the para.**

**43.            Para No.120 Page 72 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004**      Audit had pointed out that the employees of the center were availing health facilities from the Punjab Employees Social Security Institution (PESSI) but no contribution was made by the center to the PESSI since its inception. The position needed to be clarified.

The Department explained that the liability of social security contribution had accumulated in the wake of non-provision of funds by the Govt. of the Punjab. The matter was now pending in the Lahore High Court, Lahore. The Centre had since been closed.

Finance Department observed that the matter needed to be resolved as the Social Security contribution had not been reflected as liability in the accounts.

The matter being sub-judice, the para was kept pending.

**3.11.2004** The Department stated that the matter for non-reflection of contribution in the accounts of Social Security as liabilities was with the High Court.

The **Committee reiterated its previous decision with the directions to pursue the case with the court for early finalization.**

**44. Para No.121 Page 72 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004** The Department explained that the interest @7.5% was being charged on the written down value of the assets as per Government instructions since the establishment of the center. It was stated that manufacturing unit had been closed and production activity had come to an end.

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

**45. Para No.122 Page 72 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004** The Department explained that out of Rs.709,252/- a sum of Rs.41,295/- had been recovered. Efforts were being made to recover the balance amount. The Government of the Punjab was being requested to write off the balance amount of Rs.657,957/- of sundry debtors by declaring the same as bad debt.

The Committee kept the para pending with the direction that the Department should resolve this matter before the next meeting of PAC.

**3.11.2004** The Department stated that an amount of Rs.41,295/- had been recovered and the balance amount of Rs.657,957/- appears to be irrecoverable due to non-release of funds by the Finance Department in the relevant sub-head. In this regards, Finance Department had been approached and the case was pending with the Finance Department.

The representative of Finance Department pointed out that the position of the case was not in his notice.

The Committee directed the Finance Department to take early decision on the issue and the **para was kept pending.**

**46.                    Para No.123 Page 72 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004**      Audit had pointed out that no provision for pensionary charges in respect of the employees who would receive pension from the Government was made in the accounts which needed justification.

The Department explained that the Government staff appointed under Civil Service Rules, were entitled for Pension as per Government Rules on their retirement and no provision was required to be made.

The Committee accepted the explanation of the department and **settled the para.**

**47.                    Para No.124 Page 72 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004**      The Audit pointed out that the assets register showing the requisite details was not maintained.

The Department explained that the Center had been closed, however, the assets register was available for verification by the Audit.

The Committee settled the para subject to verification of record/assets register by audit.

**3.11.2004**      Audit pointed out that the function of unit had since been closed and only a list of assets without quoting value had been provided for verification.

The Department stated that the case for appointing Chartered Accountant to evaluate the value of the property was still under process by the TEVTA. So far as disposal of machinery was concerned, the matter had been taken up with the British Museum.

The representative of Finance Department pointed out that the Government Weaving and Finishing Centre, Shahdara Lahore is of highly valuable property and side by side evaluation, there should be timely disposal of the machinery.

The **Committee kept the para pending with the directions to complete the process within six months.**

**48. Para No.125 Page 72 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004** On the recommendation of audit the **Committee settled the para.**

**49. Para No.126 Page 72 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004** The Department explained that requisite record had been got attested by the Competent Authority/Drawing and Disbursing Officer and verified by audit.

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

**50. Para No.127 Page 73 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004** On the recommendation of audit the **Committee settled the para.**

**51. Para No.128 Page 73 of Audit Report for the year 1998-99; Working results.**

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**12.4.2004** The Audit pointed out that the gross loss of the center had been increased while the sale had been reduced.

The Department explained that the centre was meeting the requirements of different Departments like hospitals and was providing blankets of pure wool. The centre was using less budget/amount than the other educational institutions and its main object was to provide technical education rather than to earn profit. This institute was presently working under the administrative control of TEVTA.

The Committee accepted the explanation of the department and **settled the para.**

The Committee examined the Accounts of the Irrigation & Power Department in its meeting held on 13.10.2003, 14.10.2003, 15.10.2003, 10.3.2005, 11.3.2005 & 12.3.2005 and made the following recommendations:-

### **SPECIAL OBSERVATION/DIRECTION**

**13.10.2003** During discussion on Audit Para No.10 of Audit Report for the year 1998-99 regarding non-deposit of Auction money of nurseries planted in the residential area relating to Agriculture Department, in the meeting of Public Accounts Committee-I held on 3 September 2003, the Director General Civil Audit was requested by the Committee to provide further information about audit paras of the similar nature framed in respect of the residences of the DCOs and DPOs during the last 10 years. The Director General Audit vide his letter No.DGA/PAC/CD/2511 dated 2 October 2003 informed that only one para of identical nature relating to the residence of SP Sahiwal was included as Para No.11.11 of Audit Report for the year 1993-94. In the said letter the Director General Audit further stated that the reason for non-raising of paras in this regard was inaccessibility of the Audit parties to the residences of DCs/SPs which were located away from their offices.

The Committee discussed the issue and decided to appoint a Sub-Committee comprising Mr Aftab Ahmad Khan, MPA (PP-63) for detailed examination of the matter and submission of a report to the Committee, on the subject of non-deposit of auction/lease money of nurseries planted in the residential area of Government Colonies.

The Committee directed that the Sub-Committee would be assisted by a representative each of Audit Department, Finance Department and Board of Revenue.

### **Audit Paras (Works) for the year 1998-99**

- 1. Para No.4 Page 9 of Audit Report for the year 1998-99;  
Misappropriation of stock  
Rs.594,921/-.**

**15.10.2003** Audit had pointed out that the Department did not show any account for 60762 Cft stone carted from quarry.

The Department stated that audit was conducted at Rajanpur and the stock register was available at newly created Jampur Division.

The Department was directed to get the relevant record verified by Audit within



three days

The para was kept pending.

**2. Para No.5 Page 10 of Audit Report for the year 1998-99;  
Misappropriation of stock worth Rs.449,143/-.**

**15.10.2003** Audit had pointed out that the Department failed to maintain the detail of stock articles incorporated in the monthly account of June 1998.

The Department explained that the amount of Rs. 449,143/- was shown outstanding in the form P.W Advance since opening of the Division in 1966 and the details of articles to which the said amount related was not available.

The Representative of the Finance Department suggested that the Department should hold an inquiry into the matter and if justify a case of write off, may be referred to the Finance Department.

The Committee accordingly directed the Department to complete the inquiry and necessary action within three months.

The para was kept pending.

**3. Para No.7 Page 11 of Audit Report for the year 1998-99;  
Misappropriation of Rs.317,893/-.**

**15.10.2003** Audit had pointed out that the payment of incorrect rate for brush wood and excavation of excessive earth resulted in excess payment of Rs.317,893/-.

The Department explained that only an excess payment of Rs. 27,594/- had been established which had since been recovered from the security deposit of the contractors.

The Department was directed to get the record verified by Audit within three days.

The para was kept pending.

**4. Para No.8 Pages 11 & 12 of Audit Report for the year 1998-99;  
Misappropriation of stock Rs.216,914/-.**

**15.10.2003** Audit had pointed out that stone worth Rs.216,914/- had not been accounted for.

The Department explained that the para was settled in the DAC meeting held on

2.1.2001 vide D.G Audit (Works) Lahore No.IR-II/DAC/IRRG/2000-2001/434 dated 18.4.2001.

Audit verified the contention of the Department and the **para was settled.**

**5. Para No.10 Page 13 of Audit Report for the year 1998-99; Misappropriation Of Stone Rs.170,034/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**6. Para No.12 Page 14 of Audit Report for the year 1998-99; Misappropriation of Rs.93,674/-.**

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**15.10.2003** Audit had pointed out that the Department failed to account for the tools and plants articles purchased for Rs.93,674/- in 1997.

The Department explained that T&P articles had been taken on T&P register and the same was available for verification.

The Department was directed to get the record verified by Audit within three days.

The **para was kept pending.**

**7. Para No.13 Page 15 of Audit Report for the year 1998-99; Misappropriation of Material Worth Rs.53,805/-**

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**11.3.2005** The Audit had pointed out that misappropriation of material resulted in loss of Rs.53,805/-.

The Department explained that the relevant record had been verified by Audit.

The **para was settled subject to actual recovery of Rs.5,000/- and its verification by Audit.**

**8. Para No.15 Page 16 of Audit Report for the year 1998-99; Loss of Rs.15,094,000/- Due to Theft of Trees.**

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**11.3.2005** The Audit had pointed out that as a result of theft Government was put to loss of Rs.15,094,000/- .

The Department explained that F.I.R had already been lodged against the culprits. Besides above, as a result of departmental inquiry, it had been established that no official was found involved in theft of trees.

The Department was directed to get the loss written off by the Finance Department and **para was settled subject to write off sanction by Finance Department and its verification by Audit.**

**9. Para No.16 Page 17 of Audit Report for the year 1998-99; Loss Due to Theft of Trees Valuing-Rs.4,595,940/-.**

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**12.3.2005** The Department explained that F.I.R'S had already been lodged against the culprits in the concerned Police Stations and efforts were being made to recover the loss on account of stolen trees.

The Department was directed to effect recovery of outstanding amount at the earliest and **para was kept pending.**

**10. Para No.20 Pages 19 & 20 of Audit Report for the year 1998-99; Loss of Rs.496,850/- Due to Theft of Trees.**

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**12.3.2005** The Department explained that DIG Faisalabad had been requested to register a criminal case against the culprits under relevant provision of law. Moreover, the Departmental inquiry had been conducted by Mr Abdul Hakim Executive Engineer and report was under process with the Competent Authority.

The Department was directed to finalize the necessary action at the earliest and **para was kept pending.**

**11. Para No.23 Pages 21 & 22 of Audit Report for the year 1998-99; Excess payment of Rs.5,068,806/-.**

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**15.10.2003** Audit had pointed out that the department made payment for excessive quantity of trangers and stone filling than the sanctioned estimate in the Construction Division, D.G Khan. The Department explained that the excessive quantities had been covered in the revised T.S estimate.

The Audit, however, pointed out that the work was executed during May 1996 while the revised T.S estimate was issued on 17.3.2001 after the execution of the work and as such the irregularity needed to be got regularized by the Finance Department. The Department further stated that the matter was investigated by the Chief Minister's Inspection Team as well as by the Army Monitoring Team who had accepted the justification given by the Department.

The Committee was not satisfied with the written reply of the Department and decided to constitute a Sub-Committee consisting of following to look into the matter and report to the Committee within 2 months:-

1. Syed Nazim Hussain Shah, MPA, Convener
2. Pir Syed Kashif Ali Chisthi, MPA
3. One representative of the Finance Department
4. One representative of the Audit Department
5. One representative of the Administrative Department.

The para was kept pending.

**12. Para No.24(115) Page 22 of Audit Report for the year 1998-99;  
Loss of Rs.4,554,723/-.**

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**14.10.2003** Audit had pointed out that in the Remodeling of Thal Canal Project, the earth which became available from excavation of Irrigation channel was not used but the earth was brought from outside.

The Department explained that the earth available through excavation from the channel was silt and could not be used for embankment.

Audit pointed out that payment had been made for excavation of earth and not for the excavation of the silt.

The Committee was not satisfied with the explanation of the Department given in the working paper and directed that the Administrative Department should hold an inquiry involving the Engineers as well as the Consultants concerned to thrash out the matter within one month and take action accordingly.

The para was kept pending.

**10.3.2005** The Department explained that the inquiry officer had submitted the inquiry report and same was still under process.

**The para was settled subject to acceptance of inquiry report by the Administrative Secretary and its verification by Audit.**

**13.                    Para No.25 Page 23 of Audit Report for the year 1998-99;  
Overpayment of Rs.2,293,246/-.**

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**11.3.2005**        The Audit had pointed out that the incorrect payments for non schedule items supply with premium resulted in overpayment of Rs.2,293,246/- to the contractor.

The Department explained that payment had been made correctly and no over payment involved.

The Department was directed to get the record verified by Audit and **para was kept pending.**

**14.                    Para No.26(121) Page 24 of Audit Report for the year 1998-99;  
Overpayment of Rs.2,221,297/-.**

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**14.10.2003**        Audit had pointed out that the Department paid the 9 mile lead under the item-4 of the 3<sup>rd</sup> running bill which was not provided in the tender accepted by the Chief Engineer which resulted in over payment of Rs.2,221,297/-.

The Department explained that lead of 7 mile was provided in the BOQ but actually 9 mile lead was paid according to site conditions as well as a stay order obtained by the land owners from the local court and the variation order had also been issued by the Chief Engineer.

The Committee directed that the stay order, revised order of the Chief Engineer and lead chart may be got verified by Audit.

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

**15.                    Para No.27 Pages 24 & 25 of Audit Report for the year 1998-99;  
Over payment of  
Rs.1,575,690/-.**

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**15.10.2003**        Audit had pointed out that the Department paid Rs.2,349/- for each gabion against the approved rate of PC-I for Rs.2,243/-.

The Department explained that the figures of the PC-I were not exactly as per the site conditions. However, the TS estimate was revised during the execution of the work. The rate

for providing and laying and filled in gabion including carriage complete had been approved for Rs.2,349/- in the TS estimate.

The Department was directed to get the record verified by Audit in support of departmental contention.

**The para was kept pending.**

**16.                    Para No.28(128) Page 25 of Audit Report for the year 1998-99;  
Excess payment of  
Rs.1,461,783/-.**

**14.10.2003**     The Department explained that no overpayment was involved. This Audit Para was based on Advance Para No.14507 for the year 1998-99 which had already been settled in the DAC meeting held on 13, 14 July 2001 after verification of record.

**The para was accordingly settled.**

**17.                    Para No.29(122) Page 26 of Audit Report for the year 1998-99;  
Overpayment of Rs.1,404,764/-.**

**14.10.2003**     Audit had pointed out that overpayment had been made by the Department to the contractor due to double measurement of the work done.

The Department explained that no double measurement was involved. The Department was directed to produce the requisite record to Audit as per latest Audit comments.

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

**18.                    Para No.33 Page 28 of Audit Report for the year 1998-99; Over  
payment of Rs.1,115,666/-.**

**14.10.2003**     The Department explained that the rate of item No.5 (a) (I) C of Chapter concrete had been correctly applied in this case and the Audit observation was not correct.

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

**19.                    Para No.35 Pages 29 & 30 of Audit Report for the year 1998-99;  
Overpayment of Rs.1,065,077/-.**

**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**20.                    Para No.38 Pages 31 & 32 of Audit Report for the year 1998-99;  
Excess payment of Rs.879,345/-.**

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**14.10.2003** Audit observed that work was measured and paid in excess of the design/drawings approved by the Chief Engineer.

The Department explained that during the execution of work certain structural changes were made which were later on incorporated in the revised TS Estimate. However, Audit contended that the work was started in 1995 while TS was issued in 1998.

Audit pointed out that as per existing provisions of rules/instructions, the work could not be allotted without technical sanction.

The Committee directed that the Administrative Secretary should re-examine the case in the light of the above observation and take action accordingly.

The para was kept pending.

**10.3.2005** The Department explained that due to site condition certain changes were made by the resident consultants for safety of the structure which enhanced the steel quantities. These changes had been authenticated by the resident consultants and incorporated in the revised estimates sanctioned by the Chief. Engineer. The relevant record was produced to the Audit and Audit accepted the view point of Department to extent of variation which was incorporated in revised estimate.

The Department was directed to hold an inquiry regarding the execution of work without T.S and take necessary action against the responsible and **para was kept pending.**

**21.                    Para No.39 Pages 32 & 33 of Audit Report for the year 1998-99;  
Unjustified payment of Rs.818,506/-.**

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**12.3.2005** The Audit had pointed out that payment of excess quantity resulted in unjustified payment of Rs.818,506/- to the contractor.



The Department explained that as a result of verification of record, the facts had been verified and accepted by Audit.

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

**22. Para No.41 Pages 33 & 34 of Audit Report for the year 1998-99; Overpayment of Rs.678,798/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**23. Para No.42 Page 34 of Audit Report for the year 1998-99; Excess payment of Rs.627,489/-.**

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**15.10.2003** The Audit had pointed out that the Department did not deduct the quantity of stone lying at site which were damaged during flood from the quantity brought at site.

The Department explained that the audit objection was based on the presumption that 60% stone washed away by the flood could have been retrieved.

During the meeting, Audit recommended the para for settlement. The **para was accordingly settled by the Committee.**

**24. Para No.43 Page 35 of Audit Report for the year 1998-99; Excess payment of Rs.612,264/-.**

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**14.10.2003** Audit pointed out that excess payment of Rs.612,264/- was made for quantities of certain items of work which were executed in excess of the quantities provided in the TS estimate approved by the Chief Engineer.

The Department explained that the revised estimate had been sanctioned by the Chief Engineer vide No.1208/W-1/70-12 dated 24.3.2000 and all the items of work were incorporated in the estimate.

The Department further explained that although the work was started before TS but the payment was made to the contractor after Technical Sanction.

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

**10.3.2005** The Department explained that the relevant record had been produced to Audit for verification and the same was still under process.

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

**25. Para No.45 Pages 36 & 37 of Audit Report for the year 1998-99; Overpayment of Rs.578,315/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**26. Para No.46 Page 37 of Audit Report for the year 1998-99; Overpayment of Rs.558,442/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**27. Para No.47(118) Pages 37 & 38 of Audit Report for the year 1998-99; Excess payment of Rs.515,588/-.**

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**14.10.2003** Audit observed that an excess payment of Rs.515,588/- was made for the item “re-carriage” on the item, “stone from quarry to site of work 127 mile with extra lead of 500 feet and 2100 feet”.

The Department explained that the short carriage was provided in BOQ because the work was to be done during the closure of the canal which was available only for 19 days and the stone could not be carried direct to the site of work.

The Department was directed to produce the design drawings of the bank of the canal where the stone was consumed in support of its contention.

The para was kept pending.

**Note:**

The Committee also requested Mr Ali Hassan Raza Qazi, MPA (Member of the Committee) to visit the site and submit his independent report to the Committee.

**10.3.2005** The Department explained that the Sub-Committee headed by Mr. Ali Hassan Raza Qazi , MPA convener had visited the site and verified the departmental contention

On the recommendation of Sub-Committee, **the para was settled.**

**28. Para No.48 Pages 38 & 39 of Audit Report for the year 1998-99; Excess Payment of Rs.464,443/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**29. Para No.49 Page 39 of Audit Report for the year 1998-99; Excess Payment of Rs.453,765/-.**

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**12.3.2005** The Department explained that efforts were being made to recover balance amount.

The Department was directed to effect balance recovery at the earliest and **para was settled subject to verification of relevant record by Audit.**

**30. Para No.51(120) Page 40 of Audit Report for the year 1998-99; Overpayment of Rs.367,359/-.**

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**14.10.2003** Audit had pointed out that in the measurement book a measurement for connection at RD 35000 left side under the item “Earth excavation from outside 7 mile lead and compaction of earth” had been recorded twice and thus an overpayment of Rs.367,359/- was made to a contractor.

The Department explained that the total quantity of earth work as per overall measurement was 195,049 CFT and the same had been paid and no double payment or overpayment was involved.

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

**31. Para No.52 Page 41 of Audit Report for the year 1998-99; Excess Payment of Rs.364,807/-.**

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**12.3.2005** The Audit had pointed out that payment of excess quantities resulted in excess payment of Rs.364,807/-.

The Department explained that quantities paid in excess were provided in the revised estimate and the same was subsequently sanctioned by the competent authority.

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

**32. Para No.53 Pages 41 & 42 of Audit Report for the year 1998-99; Excess Payment of Rs.356,958/-.**

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**12.3.2005** The Department explained that efforts were being made to recover balance amount.

The Department was directed to effect balance recovery at the earliest and **para was settled subject to verification of relevant record by Audit.**

**33. Para No.55 Page 43 of Audit Report for the year 1998-99; Overpayment of Rs.327,308/-.**

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**11.3.2005** The Audit had pointed out that the irregularity resulted in over payment of Rs.327,308/- to the contractor.

The Department explained that the paid quantity was within the sanctioned quantity and no over payment was involved.

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

**34. Para No.57 Pages 44 & 45 of Audit Report for the year 1998-99; Overpayment of Rs.314,236/-.**

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**12.3.2005** The Department explained that as a result of verification of record, facts had been verified and accepted by the Audit.

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

**35. Para No.59 Page 46 of Audit Report for the year 1998-99; Excess payment of Rs.293,604/-.**

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**15.10.2003** Audit had pointed out that the Department measured and paid the earth work undressed without deducting 10% shrinkage charges.

The Department explained that the earth work paid to contractor was compacted in layers properly. Hence there was no need of deduction of settlement allowance due to shrinkage in the compacted earth work.

The Department was directed to get the record verified by Audit within three days.

The para was kept pending.

**36. Para No.61 Page 47 of Audit Report for the year 1998-99; Overpayment of Rs.273,851/-.**

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**11.3.2005** The Audit had pointed out that Pasrur Link Division paid the quantities more than admissible, the omission resulted in over payment of Rs.273,851/- to the contractor.

The Department explained that complete recovery had been effected from the contractor.

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

**37. Para No.62 Pages 47 & 48 of Audit Report for the year 1998-99; Excess Payment of Rs.271,942/-.**

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**12.3.2005** The Audit had pointed out that excess premium allowed resulted in excess payment of Rs.271,942/-.

The Department explained that the general premium allowed by the Government was 250% for preparation of PC-1 and T.S. estimate.

On the statement of Chief Engineer that excess premium was within the permissible limit, the Committee settled the para.

**38. Para No.63(123) Page 48 of Audit Report for the year 1998-99; Excess payment of Rs.264,401/-.**

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**14.10.2003** The Department explained that no overpayment was involved as pointed out by Audit. The Advance Para No.14497 had already been settled in the DAC meeting held on 13, 14

July 2001 after verification of record.

The para was accordingly settled.

**39.                    Para No.64 Page 49 of Audit Report for the year 1998-99; Excess Payment of Rs.264,362/-.**

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**11.3.2005**        The Audit had pointed out that measurements of earthwork through incorrect record entries resulted in excess payment.

The Department explained that the mode of measurement taken at site entered in M.B by the Sub Engineer, was correct and within the quantity as per sanctioned estimate and there was no excess of quantity.

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

**40.                    Para No.65 Pages 49 & 50 of Audit Report for the year 1998-99; Excess Payment of Rs.255,092/-.**

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**12.3.2005**        The Department explained that as a result of verification of record, facts had been verified and accepted by the Audit.

On the recommendation of Audit, the para was settled.

**41.                    Para No.66 Page 50 of Audit Report for the year 1998-99; Excess Payment of Rs.244,553/-.**

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**11.3.2005**        The Audit had pointed that neither the estimate was revised nor the agreement was enhanced and the contractor was made payment of Rs.1,258,882/-.

The Department explained that actually the estimate was originally sanctioned for Rs.1,448,616/- and final payment was made amounting to Rs.1,258,882/- and the same was within the enhanced agreement amount.

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

**42.                    Para No.67 Pages 50 & 51 of Audit Report for the year 1998-99; Excess Payment of Rs.237,453/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**43. Para No.69 Page 52 of Audit Report for the year 1998-99; Overpayment of Rs.222,024/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**44. Para No.70 Pages 52 & 53 of Audit Report for the year 1998-99; Overpayment of Rs.208,112/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**45. Para No.72 Page 54 of Audit Report for the year 1998-99; Excess Payment of Rs.177,684/-.**

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**11.3.2005** The Audit had pointed out that splitting of work in violation of rules resulted irregular execution of work, unhealthy competition, higher rates, payment of excess quantities caused excess payment of Rs.177,684/-.

The Department explained that the work was to be completed in short span of time, therefore, 8 Nos. packages were proposed and were sanctioned by the competent authority in the T.S estimate. The works for different packages were allotted after fulfilling all the formalities and express approval of higher rates by the competent authority and no irregularity was involved.

On the statement of Chief Engineer that there was no misappropriation/irregularity, the **Committee settled the para.**



**46. Para No.73 Page 55 of Audit Report for the year 1998-99;  
Overpayment of Rs.177,353/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**47. Para No.74 Page 56 of Audit Report for the year 1998-99;  
Unjustified payment of Rs.162,572/-.**

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**15.10.2003** Audit had pointed out that the quantity of undressed earth work had been paid in excess of the sanctioned estimate.

The Department explained that the total quantity of earth work had not exceeded from the T.S estimate. The work was also verified by the consultants.

The **para was settled subject to verification of record by Audit within three days.**

**48. Para No.75 Pages 56 & 57 of Audit Report for the year 1998-99;  
Excess Payment of Rs.154,025/-.**

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**12.3.2005** The Audit had pointed out that due to wrong deduction of total value of work done of 2<sup>nd</sup> running bill resulted in excess payment of Rs.154,025/-.

The Department explained that an amount of the Rs.154,025/- had been adjusted in the next final bill of the contractor and no excess payment was involved

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

**49. Para No.76 Pages 57 & 58 of Audit Report for the year 1998-99;  
Overpayment of Rs.145,462/-.**

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**11.3.2005** The Audit had pointed out that payment of the same quantity twice resulted in over payment of Rs.145,462/-.

The Department explained that the net quantity paid for plug bund and filling pit

in working area involving earthwork was within the provision of technical sanctioned estimate and no over payment was involved.

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

**50.                    Para No.77 Page 58 of Audit Report for the year 1998-99;  
Overpayment of Rs.132,967/-.**

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**12.3.2005**        The Department explained that as a result of verification of record, facts had been verified and accepted by the Audit.

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

**51.                    Para No.78 Page 59 of Audit Report for the year 1998-99;  
Overpayment of Rs.118,208/-.**

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**11.3.2005**        The Audit had pointed out that the incorrect payment of premium @ 273% resulted in overpayment of Rs.118,208/- to the contractor.

The Department explained that payment had been made to contractor according to the agreement clause and there was no over payment made to contractor.

The explanation of the Department was accepted and **para was settled subject to verification of relevant record by Audit.**

**52.                    Para No.79 Pages 59 & 60 of Audit Report for the year 1998-99;  
Overpayment of Rs.114,953/-.**

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**12.3.2005**        The Department explained that as a result of verification of record, facts had been verified and accepted by the Audit.

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

**53.                    Para No.81 Page 61 of Audit Report for the year 1998-99; Excess  
Payment of Rs.103,123/-.**

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**11.3.2005**        The Audit had pointed out that the payment of quantities in excess of the revised estimate resulted in excess payment of Rs.103,123/-.

The Department explained that variation in quantities was due to the site condition and the same variation had been got approved by the Competent Authority. No excess quantities/ payment was made.

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

**54.                    Para No.82(117) Page 61 of Audit Report for the year 1998-99;  
Excess payment of Rs.103,009/-.**

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**14.10.2003**     Audit observed that an excess payment of Rs.103,009/- was made for the items “dumping of stone without boat” and “laying of stone behind the retaining wall” without applying the conversion factor.

The Department explained that the measurement had been made for finished items of work and as per provision made in the T.S.Estimate. As such the question of applying conversion factor on the finished item of work did not arise in any way.

The **Committee settled the para subject to verification of record by Audit.**

**55.                    Para No.84 Pages 62 & 63 of Audit Report for the year 1998-99;  
Excess Payment of Rs.97,771/-.**

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**12.3.2005**     The Audit had pointed out that payment of earth work without sanction resulted in excess payment of Rs.97,771/-.

The Department explained that the quantity of earth work was duly provided in the sanctioned estimate. The quantity of earth work paid was within the T.S estimate as provided in X- Section of the work, and there was no excess payment.

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

**56.                    Para No.85 Page 63 of Audit Report for the year 1998-99; Excess  
Payment of Rs.95,989/-.**

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**11.3.2005**     The Audit had pointed out that shortage of 7680 cft stone resulted in excess payment of Rs.95,989/-.

The Department explained that as per record, there was no difference in the

consumption of 146785 cft stone against the carriage of 154469 cft.

The explanation of the Department was accepted and **para was settled subject to verification of final bill/relevant record.**

**57.                    Para No.86 Page 64 of Audit Report for the year 1998-99; Over payment of Rs.93,521/-.**

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**14.10.2003**      Audit had pointed out that the rate for dumping of stone in wire crates by boat had been made during closure period.

The Department explained that the dumping of stone by boat was required as per site requirement as explained in the working paper.

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

**58.                    Para No.87 Pages 64 & 65 of Audit Report for the year 1998-99; Excess Payment of Rs.92,640/-.**

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**12.3.2005**      The Audit had pointed out that incorrect and non application of conversion factor resulted in excess payment of Rs.92,640/-.

The Department explained that application of conversion factor to the lesser side had caused no loss to Government.

The Department was directed to produce relevant record to Audit for verification and **para was kept pending.**

**59.                    Para No.88 Page 65 of Audit Report for the year 1998-99; Excess Payment of Rs.91,124/-.**

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**12.3.2005**      The Audit had pointed out that non -deduction of voids resulted in excess payment of Rs.91,124/- to the contractors.

The Department explained that the payment was made strictly in accordance with the rules and there was no excess payment.

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

**60.                    Para No.91 Page 67 of Audit Report for the year 1998-99; Overpayment of Rs.88,514/-.**

**12.3.2005** The Audit had pointed out that less deduction of shrinkage resulted in an over payment of Rs.88,514/-.

The Department explained that recoverable amount had been effected and same could be verified by the Audit.

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

**61. Para No.92 Pages 67 & 68 of Audit Report for the year 1998-99; Overpayment of Rs.86,307/-.**

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**11.3.2005** The Audit had pointed out that Pasrur Link Division Sialkot deducted quantity of 142,800 Cft vide page 27 of measurement book 4061. On the other hand paid the same quantity again at page 24-25 of measurement book 4062. This resulted in over payment of Rs.86,307/- to the contractor.

The Department explained that the net quantity paid was within the provision of the technical sanctioned estimate and no over payment was involved.

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

**62. Para No.94 Page 69 of Audit Report for the year 1998-99; Over payment of Rs.77,169/-.**

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**15.10.2003** Audit had pointed out that conversion factor had not been applied in the filling/ dumping of stone. Moreover, the quantity of stone consumed was more than the quantity of stone carted from the quarry.

The Department explained that the quantities of stone consumed and carted reconcile with each other. The Department was directed to get the record verified by Audit within three days. **The para was settled subject to verification by Audit.**

**63. Para No.95 Pages 69 & 70 of Audit Report for the year 1998-99; Overpayment of Rs.76,176/-.**

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**11.3.2005** The Audit had pointed out that non deduction of 10% loose quantity and excessive measurement resulted in overpayment of Rs.76,176/-.

The Department explained that actual recovery of Rs.41,083/- had been made. Moreover, excavation of earth was done for laying stone apron, below bed level under water and

extra allowance for slush was paid by the competent authority as per provisions of the T.S estimate.

The explanation of the Department was accepted and **para was settled subject to verification of relevant record by Audit.**

**64.                    Para No.96 Page 70 of Audit Report for the year 1998-99; Over\_ payment of Rs.68,519/-.**

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**15.10.2003**     Audit had pointed out that the Department failed to adjust the earth obtained from excavation in foundation against the earth brought from outside.

The Department explained that the excavated earth was utilized at certain places but in other places it was wasted by the hill torrents.

The Department was directed to get the record verified by Audit within three days.

The **para was settled subject to verification by Audit.**

**65.                    Para No.97 Page 71 of Audit Report for the year 1998-99; Overpayment of Rs.66,792/-.**

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**12.3.2005**     The Audit had pointed out that payment of higher rate resulted in over payment of Rs.66,792/-.

The Department explained that one mile extra carriage at initial rate @Rs: 32.55 per % Cft had been paid correctly as loading and un-loading was involved and there was no over payment.

On the statement of the Chief Engineer that there was no over payment, the **para was settled.**

**66.                    Para No.98 Pages 71 & 72 of Audit Report for the year 1998-99; Over payment of Rs.66,634/-.**

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**15.10.2003**     The Department explained during the meeting that the total amount of Rs.66,634/- as pointed out by Audit had since been recovered. The overpayment had been made due to an inadvertent mistake.

The Audit stated in the meeting that the recovery had been verified.

The para was accordingly settled.

**67. Para No.99 Page 72 of Audit Report for the year 1998-99; Overpayment of Rs.66,034/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**68. Para No.100 Page 73 of Audit Report for the year 1998-99; Overpayment of Rs.63,486/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**69. Para No.101 Pages 73 & 74 of Audit Report for the year 1998-99; Over Payment of Rs.62,842/-.**

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**11.3.2005** The Audit had pointed out that payment of full rate of Rs.32.55 instead of last rate of Rs.2.05 per mile resulted in undue extra payment of Rs.62,842/-.

The Department explained that stone utilized in protection of Spur RD 430 Burala Branch and protection of Mole Prong and earthen shanks of Spur 448 + 400 Burala Branch works from reserve stock already stacked at RD 424 + 000 by exercising activity of short carriage as provided/ sanctioned in the estimate and it was justified hence as there was no overpayment.

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

**70. Para No.103 Page 75 of Audit Report for the year 1998-99; Over**



### **Payment of Rs.60,248/-.**

**11.3.2005** The Audit had pointed out that non deduction of shrinkage resulted in payment of Rs.60,248/- and payment of total earth work without X-section approved lead resulted in an irregular payment.

The Department explained that deduction of shrinkage @ 10% was made and no excess payment was made.

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

### **71. Para No.104 Pages 75 & 76 of Audit Report for the year 1998-99; Overpayment of Rs.59,346/-.**

**11.3.2005** The Audit had pointed out that the excessive measurement resulted in over payment of Rs.59,346/- to the contractor.

The Department explained that as a result of verification of record the facts had been verified and accepted by Audit.

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

### **72. Para No.105 Page 76 of Audit Report for the year 1998-99; Over payment of Rs.58,978/-.**

**15.10.2003** Audit had pointed out that the Department allowed higher rate of Rs.158.20 per Cft instead of Rs.135/- per Cft for earth work excavation from outside borrow pits in ordinary soil lead 500 feet dressed. The application of incorrect rate resulted in overpayment of Rs.58,978/-.

The Department explained that payment had been made according to the lead provided in the T.S estimate.

The Department was directed to get the record verified by Audit within three days.

The **Committee settled the para subject to verification of record by Audit.**

### **73. Para No.108 Page 78 of Audit Report for the year 1998-99; Over payment of Rs.53,688/-.**

**14.10.2003** The Department explained that no overpayment was involved as pointed out by Audit. The para was based on Advance Para No.14502 for the year 1998-99 which had already been settled in the DAC meeting held on 13, 14 July 2001 after verification of record.

The para was accordingly settled.

**74. Para No.109 Page 79 of Audit Report for the year 1998-99; Over Payment of Rs.51,692/-.**

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**11.3.2005** The Audit had pointed out that the process of dressing covers the work re-handling and excess rate of compaction and non-adjustment of available earth resulted in overpayment of Rs.51,690/-.

The Department explained that the requisite record had been verified by Audit.

On the recommendation of Audit, the para was settled.

**75. Para No.110 Pages 79 & 80 of Audit Report for the year 1998-99; Overpayment of Rs.51,597/-.**

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**12.3.2005** The Audit had pointed out that the payment of dressing of earth work without recording measurement for dressing resulted in over payment of Rs.51,597/-.

The Department explained that payments were made to the contractor through running bills on account of earth work as undressed against dressing provided in the technically sanctioned estimate.

On the statement of the Chief Engineer that there was no overpayment, the para was settled.

**76. Para No.111 Page 80 of Audit Report for the year 1998-99; Over Payment of Rs.48,350/-.**

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**11.3.2005** The Audit had pointed out that Khanwah Division DCC Depalpur recorded incorrect entries of brick lining. This resulted in over payment of Rs.48,350/-.

The Department explained that recovery of Rs.7,676/- had been effected. The Audit observation regarding payment of Rs.34,209.63 was not based on facts as per record.

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

**verification of relevant record by Audit.**

**77.                    Para No.112 Page 81 of Audit Report for the year 1998-99;  
Overpayment of Rs.46,336/-.**

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**12.3.2005**        The Audit had pointed out that payment without provision in technically sanctioned estimate resulted in overpayment of Rs.46,336/-.

The Department explained that complete recovery had been effected and verified by Audit.

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

**78.                    Para No.113 Page 81 of Audit Report for the year 1998-99; Over  
payment of Rs.45,675/-.**

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**14.10.2003**        The Department explained that the actual recoverable amount of Rs.4,473/- had been recovered.

The Committee directed that the amount recovered should be got verified by Audit.

The para was settled subject to verification by Audit.

**10.3.2005**        The Department explained that the relevant record had been produced to Audit for verification and the same was still under process.

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

**79.                    Para No.114 Page 82 of Audit Report for the year 1998-99;  
Overpayment of Rs.38,524/-.**

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**12.3.2005**        The Audit had pointed out that payment of additional item resulted in over payment of Rs.38,524/-.

The Department explained that Apron of D/S Barrage in front of gate No. 13-16 was damaged. The stone brought from quarry could neither be stacked at site i.e. in the center of river nor on the Barrage. The provision of short carriage for 10 chain existed in the estimate technically sanctioned by the Chief Engineer. The item had also been provided in the B.O.Q.

On the statement of Chief Engineer that there was no misappropriation/irregularity, **the Committee settled the para.**

**80.                    Para No.115 Pages 82 & 83 of Audit Report for the year 1998-99;  
Over payment of Rs.30,200/-.**

**15.10.2003**     Audit had pointed out that Department allowed higher rates of Rs.60 per Sft: for item “P/F Plastic ceiling” against admissible rate of Rs.20 per Sft: by manipulating the figures from Rs.20 to Rs.60 in the original tender documents.

The Department explained that the competent authority had approved non scheduled item @ Rs.35 per Sft:

The actual overpayment of Rs.18,875/- (i.e. the difference of Rs. 60/- & Rs.35/- per Sft.) had been recovered from the contractor.

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

**81.                    Para No.116 Pages 83 & 84 of Audit Report for the year 1998-99;  
Excess payment of Rs.19,678/-.**

**14.10.2003**     The Department explained that the sanctioned quantity of earth work in estimate had been paid and no excess payment was involved as explained in the working paper.

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

**82.                    Para No.118 Page 85 of Audit Report for the year 1998-99; Loss of  
Rs.181 millions due to permanent closing of tubewells.**

**14.10.2003**     Audit observed that 181 tube-wells were closed permanently since 1998 but the policy about the disposal of tube-wells material had not been decided.

The Department explained that as per policy of the Government, orders for declaring the machinery as surplus had been issued by the Competent Authority. The disposal of machinery was likely to be carried out in due course on completion of the codal requirements.

The Committee directed the Department to ensure safe custody of the site fixture/ machinery to save it from deterioration, other necessary action in the matter should also be

expedited.

The Committee further directed that the following detail about the abandoned tube-wells be provided to the Committee in the next meeting:-

1. Total No. of Tube-Wells.
2. How many were being operated?
3. How many were closed; ?and
4. How many were handed over to the Agriculturists?

The para was kept pending.

**10.3.2005** The Department explained that proper watch and ward arrangement was being carried out to ensure the safe custody of the site fixture/machinery and to save it from deterioration.

The process of the preparation of inventory lists and survey reports for auction of the site fixture/machinery had been completed. The base price for the material to be auctioned had to be re determined in view of escalation in the rates of scrap material. The process of Bid invitation for auction of material was underway and likely to be completed in current financial year i.e. 2004-05.

The Department was directed to finalize the necessary action at the earliest and  
**para was kept pending.**

**83. Para No.119 Page 86 of Audit Report for the year 1998-99; Loss of Rs.15.80 million.**

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**15.10.2003** Audit had pointed out that department incurred expenditure of Rs.15.80 million on various types of redesigned structures as the original design structures were damaged during flood. Thus the Government suffered a loss due to faulty designing of the project.

The Department explained that it was a pilot project, technical studies were carried and the project was designed by M/S NESPAK consultants. When about 70% of the project was executed a heavy flood caused damaged to the structure. Later on the work was completed. The Department further explained that the design was not faulty but the project was meant to provide a cheaper solution to a gigantic problem.

The Committee decided that M/S NESPAK would also be heard in the next meeting in connection with Audit Para No.119 and 176.

**The para was kept pending.**

**84.                    Para No.121 Page 87 of Audit Report for the year 1998-99; Loss of Rs.9,137,240/- due to non disposal of burnt enameled copper wire.**

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**14.10.2003**     The Department explained that tenders for auction of burnt E.C. wire had repeatedly been invited and published in various newspapers. But the bids received were rejected due to uneconomical rates. However, the Department stated in the meeting that the material had since been auctioned.

The Department was directed to produce the relevant record to Audit regarding the deposit of the auction money.

**The para was settled subject to verification by Audit.**

**Note:**

Director General Audit (Works) Lahore vide their letter No.PAC P-II/DP 224/98-99/Irrig/1889 dated 2-12-2003 informed the Assembly Secretariat that the contention of the Department had been accepted and the draft para was finally settled.

**10.3.2005**     The Department explained that the quantity retrieved from the stores was found short of the book balances. A quantity of 81402.890 kg. could be retrieved from the store of the Division and a total of 43,927.02 kg Burnt E.C Wire was found short against the book balance of 1,25,330 kg. Departmental action against the defaulters had been initiated after holding a preliminary enquiry. Judicial action against a Sub Engineer, already dismissed from service, was also underway.

The Department was directed to finalize the necessary action at the earliest and **para was kept pending.**

**85.                    Para No.124 Page 89 of Audit Report for the year 1998-99; Non-accountal of Material Worth Rs.3,101,949/-.**

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**12.3.2005**     The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**86.                    Para No.125 Page 90 of Audit Report for the year 1998-99; Non accountal of different articles costing Rs.2,430,749/-.**

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**14.10.2003**     The Department explained that the accountal of the material in question was available. The Department was directed to produce the same to Audit for verification.

The Committee settled the para subject to verification by Audit.

**10.3.2005**     The Department explained that relevant record had been provided. Audit had further demanded final bill for finalizing the verification which would be produced shortly.

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

**87.                    Para No.131 Pages 93 & 94 of Audit Report for the year 1998-99; Fictitious Payment of Rs.253,379/-.**

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**12.3.2005**     The Audit had pointed out that fictitious record measurements resulted in fictitious payment of Rs.253,379/-.

The Department explained that the scope of work on both Rangpur Flood Bund (new and old bunds) was different. In case of new bund only damaged slopes had been restored. While in case of old bund breaches were closed along with construction of new earthen X-Spurs. The work was carried out on each bund on different dates, the measurements of earthwork base were different from one and others and were charged to different estimates. There was no duplicacy of record measurements except of same RDs and there was no fictitious payment.

On the statement of Chief Engineer concerned that there was no fictitious payment, **Committee decided to settle the para.**

**88.                    Para No.133 Page 95 of Audit Report for the year 1998-99; Loss due to non accountal and consumption of material valuing Rs.238,678/-.**

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**14.10.2003**     Audit observed that some material of closed tube wells valuing Rs.238,678/- was transferred but no record of accountal and consumption was produced to Audit.

The Department explained that the relevant record had already been shown to Audit. Audit had verified the record.

The para was settled.



**89. Para No.134 Pages 95 & 96 of Audit Report for the year 1998-99; Loss of Rs.188,881/- Due to Non Adjustment of Operation.**

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**12.3.2005** The Department explained that as a result of verification of record, facts had been verified and accepted by the Audit.

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

**90. Para No.135 Page 96 of Audit Report for the year 1998-99; Fictitious Payment of Rs.158,844/-.**

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**11.3.2005** The Audit had pointed out that non consumption of material resulted in fictitious payment of Rs.158,844/-.

The Department explained that the consumption of material supplied by the contractor was utilized on the work directly through labour engaged for this purpose and no fictitious payment was made.

The explanation of the Department was accepted and **para was settled subject to verification of final bill/relevant record.**

**91. Para No.137 Page 97 of Audit Report for the year 1998-99; Loss of Rs.150,100/- to Government.**

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**14.10.2003** Audit had pointed out that the E.C. Wire purchased by the Department in March 1998 was found defective.

The Department explained that the said defective E.C wire was replaced by the contractor in July 1999 thus there was no loss to the Government.

The para was settled subject to verification by Audit.

**10.3.2005** The Department explained that action for the retrieval of the record from the dismissed Sub Engineer was underway.

The Department was directed to produce the relevant record to Audit at the earliest for verification and **para was kept pending.**

**92. Para No.138 Page 98 of Audit Report for the year 1998-99; Loss of Rs.149,267/-.**

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**11.3.2005** The Audit had pointed out that auction value of a land at lesser rate resulted in loss of Rs.149,267/-.

The Department explained that the land was leased out @ almost 10% higher the rates of the previous years.

Pir Kashif Ali Chishti, MPA/Member of the Committee was deputed to visit the said land for on the spot checking and to submit a report for further necessary action of the Committee and **the para was kept pending.**

**93. Para No.140 Page 99 of Audit Report for the year 1998-99; Shortage of material worth Rs.50,000/-.**

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**14.10.2003** The Department explained that a preliminary inquiry was conducted into the shortage pointed out by Audit and Mr Ramzan Ali, Sub-Engineer was found responsible and regular inquiry was being conducted against him.

The Committee directed that inquiry/action should be completed within three months.

The para was kept pending.

**10.3.2005** The Department explained that inquiry had been finalized. Accordingly write off sanction had been sent to the competent authority.

**The para was settled subject to write off sanction by the competent authority and its verification by Audit.**

**94. Para No.144 Page 102 of Audit Report for the year 1998-99; Wasteful expenditure of Rs.9,502,500/-.**

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**14.10.2003** Audit had pointed out that 181 tube-wells had been closed since January 1998 but the services of tube well operators had not been terminated resulting in wasteful expenditure.

The Department explained that the services of the said tube well operators were necessary for the safe custody of the Government property at the site of the tube wells till the

final disposal of the said property.

The Department was directed to expedite necessary action in the matter.<sup>8</sup>

The para was kept pending.

**10.3.2005** The Department explained that the Tubewell Operators were regular Government employees and their services were continuing despite closure of the Tubewells.

At present only 38 No. Tubewell Operators were left in Service against the total No. of 181 Tubewell Operators.

The Department was directed to resolve the issue at the earliest and **para was kept pending.**

**95. Para No.146 Pages 103 & 104 of Audit Report for the year 1998-99; Irregular Expenditure of Rs.6,331,888/-.**

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**12.3.2005** The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**96. Para No.148 Pages 104 & 105 of Audit Report for the year 1998-99; Wasteful Expenditure Of Rs.2,880,000/-.**

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**11.3.2005** The Audit had pointed out that pay drawn against the damaged tube wells for five years resulted in wasteful expenditure and loss of Rs.2,880,000/-.

The Department explained that neither any operator was deployed nor charged against damaged tube wells made.

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

**97. Para No.152 Page 107 of Audit Report for the year 1998-99; Loss of Rs.1,019,600/- to Government.**

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**14.10.2003** Audit had pointed out that the material worth Rs.1,019,600/- had been unnecessarily purchased in June, 1996.

The Department contended that the amount of para came to Rs.955,400/- instead of Rs.1,019,600/-. The material was purchased on express demands by the tube well operation divisions. The material worth Rs.442,120/- had since been consumed. The balance material was available in the stock

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

**10.3.2005** The Department explained that the requisite record had already been got verified by Audit.

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

**98. Para No.153 Page 108 of Audit Report for the year 1998-99; Irregular Payment of Rs.994,122/-.**

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**11.3.2005** The Audit had pointed out that the issuance of Cheques after the laps of a year without funds was irregular.

The Department explained that as a result of inquiry Mr. Malik Nasarulla, XEN had been held responsible for irregularity. However, the said XEN had already been compulsory retired from service in another case.

The Department was directed to effect recovery from the concerned XEN under the law/rules and **para was kept pending.**

**99. Para No.154 Pages 108 & 109 of Audit Report for the year 1998-99; Unauthorized Payment of Rs.914,206/-.**

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**12.3.2005** The Audit had pointed out that payment of earth work without sanction resulted in unauthorized payment of Rs.914,206/-.

The Department explained that a lead of two miles for carriage of the earthwork was provided in the original technically sanctioned estimate. However, with changed site condition earthwork for the said payment with a lead of 500 ft. was available during execution of the work and sanction was obtained accordingly. The work was carried out strictly as per site requirement and there was no unauthorized payment.

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

**100. Para No.155 Page 109 of Audit Report for the year 1998-99; Unjustified Payment of Rs.862,525/-.**

**12.3.2005** The Audit had pointed out that un-reliable measurements of earth work resulted in un-justified payment of Rs.862,525/-.

The Department explained that after completion of work, overall bank measurements were taken at site simultaneously in two steps i.e. above water level work and under water work after observing soundings.

The Department was directed to hold inquiry and fix responsibility against the person who had committed irregularity within 90 days and **para was kept pending.**

**101. Para No.156 Page 110 of Audit Report for the year 1998-99; Loss of Rs.774,769/-.**

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**11.3.2005** The Audit had pointed out that manufacture accounts was required to be closed with no loss. The violation of the rules resulted in loss of Rs.759,628/-.

The Department explained that in fact the out-turn of vehicle for different year/ period could not be adjusted due to paucity of funds and an adjustment of Rs.43,460/- had been made & incorporated in the monthly account of 12/2004. Necessary funds were being arranged to adjust the balance amount.

The Department was directed to finalize the necessary action within the period of 3 months and **para was kept pending.**

**102. Para No.157 Pages 110 & 111 of Audit Report for the year 1998-99; Unjustified payment of Rs.683,814/-.**

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**14.10.2003** The Department explained that this Audit Para was based on Advance Para No.16503 for the year 1998-99 which was settled in DAC meeting held on 13, 14 July 2001 after verification of record.

The **para was accordingly settled.**

**103. Para No.158 Page 111 of Audit Report for the year 1998-99; Unjustified Payment of Rs.522,629/-.**

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**12.3.2005** The Audit had pointed out that below specification compaction work resulted in unjustified payment of Rs.522,629/-

The Department explained that the necessary provision did exist in the sanctioned estimate and accordingly the work was carried out. The consultants NESPAK took necessary

compaction tests. After the entire satisfaction by them regarding the required compaction, payment was made to the contractor and no irregularity was involved.

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

**104.                Para No.160 Page 112 of Audit Report for the year 1998-99;  
Irregular Payment of Rs.437,171/-.**

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**15.10.2003**     Audit had pointed out that the Department allotted the work and incurred expenditure of Rs.437,171/- without technically sanctioned estimate by the competent authority.

The Department explained that during the course of execution of work some changes had to be made for proper alteration and additions in respect of Chief Engineer office housed in the old Revenue Office of DG Khan Canal Division to accommodate the officer/officials. The revised estimate as per work done at site had been sanctioned by the Competent Authority.

The Department was directed to get the record verified by Audit within three days and **settled the para subject to verification.**

**105.                Para No.162 Pages 113 & 114 of Audit Report for the year 1998-99; Irregular payment of Rs.352,000/-.**

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**14.10.2003**     Audit had pointed out that re-employment of a Section Officer in the Department in the work charged Establishment was irregular.

The representative of the Finance Department supported the Audit observation.

The Committee directed that the re-employment should be got regularized by the Competent Authority.

The para was settled subject to regularization by the Competent Authority.

**10.3.2005**     The Department explained that the case for regularization had been sent to competent authority and same was still under process.

**The para was settled subject to regularization by the Finance Department.**

**106.                Para No.163 Pages 114 & 115 of Audit Report for the year 1998-99; Loss of Rs.288,913/-.**

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**11.3.2005** The Audit had pointed out that the incorrect tendering resulted in loss of Rs.288,913/-.

The Department explained that the contractor failed to start the work in time and contract was rescinded by forfeiture of earnest money amounting to Rs.34,000/- in favour of Government. The competent authority approved the tender of the second lowest contractor and the action taken by the competent authority was in order.

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

**107. Para No.164 Page 115 of Audit Report for the year 1998-99; Fictitious Payment of Rs.280,000/-.**

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**11.3.2005** The Audit had pointed out that payment to the 4000 collies without sanction of the competent authority and without progress of the work resulted in fictitious payment.

The Department explained that as a result of verification of record, the facts had been verified by Audit.

On the recommendation of Audit, the para was settled.

**108. Para No.166 Page 116 of Audit Report for the year 1998-99; Fictitious adjustment of material for Rs.196,637/-.**

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**14.10.2003** The Department explained that the Audit observation was not correct. The record of adjustment of the quantity of pitching stone in question was available.

The Department was directed to produce the relevant record to Audit for verification.

The para was settled subject to verification by Audit.

**10.3.2005** The Department explained that the relevant record had been produced to Audit for verification which was under process. On the statement of the Chief Engineer concerned that he had examined all the facts of the case and found no irregularity/embezzlement.

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

**109. Para No.167 Page 117 of Audit Report for the year 1998-99;**



## **Irregular Expenditure of Rs.174,958/-.**

**11.3.2005** The Audit had pointed out that Pasrur Link Division Sialkot paid the item “extra for wet earth” and the extra for “slush or daldal” without approval by the Superintending Engineer. This resulted in irregular expenditure of Rs.174,958/-.

The Department explained that the extra allowance for wet and slush earthwork for the work “Bed clearance of side seepage Drain along M.R. Link Canal” was paid after approval of from the competent authority. Moreover, fact finding enquiry regarding the balance amount of Rs.138,406/- was being conducted by Superintending Engineer, Link Circle Lahore to fix the responsibility for irregular payment, if any.

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

### **110. Para No.168 Page 118 of Audit Report for the year 1998-99; Loss of Rs.151,250/- Due To Release of Auction Money.**

**11.3.2005** The Audit had pointed out that Government was put to loss of Rs.151,250/- because of ignoring the highest bid and release of auction money.

The Department explained that relevant record had been shown and verified by Audit.

On the recommendation of Audit, the para was settled.

### **111. Para No.169 Pages 118 & 119 of Audit Report for the year 1998-99; Irregular of Expenditure and Loss of Rs.147,226/-.**

**11.3.2005** The Audit had pointed out that non compliance of the rules resulted in a loss of Rs.147,226/-.

The Department explained that as a result of fact finding inquiry it had been established that no officer/official had been found responsible for any irregularity. The expenditure was made as per requirement.

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

### **112. Para No.170 Page 119 of Audit Report for the year 1998-99; Unjustified payment of Rs.147,060/-.**

**15.10.2003** The Audit had pointed out that the Department allowed/paid non schedule items to

contractor which were not provided/approved in the technically sanctioned estimate by the Competent Authority.

The Department explained that the non-schedule items had been approved by the Competent Authority and the estimate had been technically sanctioned by the Chief Engineer. The Audit, however, contented that the scope of work had been changed and some non-schedule items had been included during the execution of work and as such this irregularity should be got regularized by the Finance Department.

The Committee directed **that the matter be regularized by the Finance Department and the para** was kept pending.

**113.            Para No.171 Page 120 of Audit Report for the year 1998-99;  
Irregular Payment of Rs.129,854/-.**

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**12.3.2005**      The Audit observed that contention of the Department with regard to above para was not justified with facts and figures.

The Department was directed to hold departmental inquiry to be finalized and to get the record verified by Audit and **para was kept pending.**

**114.            Para No.173 Page 121 of Audit Report for the year 1998-99;  
Unjustified Payment of Rs.97,087/-.**

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**11.3.2005**      The Audit had pointed out that disposal of bamboos and bags without sharpening and driving resulted in un-justified payment of Rs.97,087/-.

The Department explained that the material valuing Rs.97,087/- purchased for checking erosion of Burala Branch was utilized through the departmental Labour according to P. W specification against the provision made in the estimate.

The explanation of the Department was accepted and **para was settled subject to verification of T.S estimate/relevant record.**

**115.            Para No.175 Page 122 of Audit Report for the year 1998-99;  
Irregular Payment of Rs.47,500/-.**

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**12.3.2005**      The Audit had pointed out that payment of such items without sanction of the SE, resulted in irregular payment of Rs.47,500/-

The Department explained that the estimate of the items had been technically

sanctioned by the Chief Engineer being the Competent Authority under the rules and Audit had accepted.

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

**116.                Para No.176 Page 123 of Audit Report for the year 1998-99;  
Wasteful expenditure of Rs.12.862 million.**

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**15.10.2003**     Audit had pointed out that the Department incurred expenditure of Rs.12.862 million for construction of flood protection structure at unfeasible site which was damaged during flood. Later on, same structure was left incomplete and abandoned. Selection of unfeasible site of structure and non observance of necessity of construction for protection of flood resulted in wasteful expenditure/loss of Rs.12.862 million.

The Department explained that the project in question was designed by M/S NESPAK consultants. 12 out of 13 structures were working properly which was a big achievement and thus the expenditure incurred could not be termed as wasteful expenditure.

The Committee decided that M/S NESPAK would also be heard in the next meeting in connection with Audit Para No.119 and 176. and **the para was kept pending.**

**117.                Para No.177 Page 124 of Audit Report for the year 1998-99; Loss  
of Rs.779,750/- to Government.**

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**14.10.2003**     Audit had pointed out that the material worth Rs.779,750/- had been unnecessarily purchased.

The Department explained that the material in question was purchased keeping in view the requirements of ADP Schemes but could not be utilized due to curtailment of the schemes. However, the material had appreciated in value and there was no loss to the Government. The material would be usefully utilized.

In view of the explanation of the Department, **the para was settled.**

**118.                Para No.179 Pages 125 & 126 of Audit Report for the year 1998-99;  
Loss of Rs.1,810,053/-.**

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**12.3.2005**     The Audit had pointed out that finalizing the contractors without getting the works completed the Government was put to loss of Rs.1,810,053/-.

The Department explained that the payment to the contractor was made within the T.S estimate and there was no loss to the Government.

The Department was directed to produce the relevant record to the Audit for verification and para **was kept pending.**

**119.                Para No.180 Page 126 of Audit Report for the year 1998-99; Loss of Rs.752,000/- Due to Non Auction of Land.**

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**11.3.2005**        The Audit had pointed out that non auction of Land resulted in a loss of Rs.752,000/- to Government.

The Department explained that 84.60 acre land was leased out for Rs.38,860/- and there was no loss to the Government.

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

**120.                Para No.183 Page 128 of Audit Report for the year 1998-99; Loss of Rs.73,850/-.**

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**14.10.2003**        Audit had pointed out that the various acids were unnecessarily purchased in November, 1993 but expired before use.

The Department explained that an inquiry was held against the responsible officers but they had been exonerated by the Competent Authority.

In view of the explanation of the Department, **the para was settled.**

**121.                Para No.189 Page 132 of Audit Report for the year 1998-99; Loss to Government Amounting to Rs.6,082,149/- Due to Non-Recovery of Toll Tax.**

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**12.3.2005**        The Audit had pointed out that due to non deposit of remaining three installments on account of Toll Tax, the Government was put to a loss of Rs.6,082,149/-.

The Department explained that the possession of Toll-Tax was taken over by the department to avoid loss. The possession was challenged in the Civil Court and the Court sent the case to the Department for arbitration appointing SE, Haveli Canals Circle, Multan as an arbitrator to decide the matter. After the proceedings of arbitration started, the contractor again

went to the court requesting for change of arbitrator. The court appointed another arbitrator, SE. Farooqbad, who was appointed against the provision of agreement and it was challenged by the Department in the court of Session Judge. In compliance of order of the court Mr. Abdul Rehman Baig SE Circle DG Khan was appointed as an arbitrator and had submitted his arbitration report. However, since the matter was stayed, therefore, SDO Head Works had been directed to attend the court and to get the stay order vacated.

The Department was directed to hold an inquiry into the matter for fixing responsibility and to effect recovery as arrears of land revenue after vacating stay order by the court and **para was kept pending.**

**122.                Para No.191 Page 133 of Audit Report for the year 1998-99; Non-recovery of Rs.4,227,178/-.**

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**14.10.2003**     Audit had contended that certain material worth Rs.4,227,178/- purchased by the Department in order to mobilize and facilitate the timely executions of work should have been taken back from the contractor after execution of work or its cost should have been recovered.

On the other hand, the Department contended that the said material was to be taken away by the contractors at 30% of the value of the articles.

The Committee directed that the matter should be referred to the Finance Department for advice and action should be taken accordingly.

The para was kept pending.

**10.3.2005**     The Department explained that the matter had been referred to the Finance Department and advice was still under process.

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

**123.                Para No.192 Page 134 of Audit Report for the year 1998-99; Non-recovery of Rs.2,271,061/-.**

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**15.10.2003**     The Audit had pointed out that the temporary advances paid to the SDOs during 1994-95 had not been adjusted.

The Department explained that the amount in question was paid to the contractors from the suspense head against the work which was got executed in emergency under para 2.89 with the approval of the Chief Engineer. As soon the funds were received this amount would be

cleared from the schedule of Misc. Advance

The Department was directed to take necessary action for clearance of the P.W Advance at the earliest.

The para was kept pending.

**124. Para No.193 Page 134 of Audit Report for the year 1998-99; Non-recovery of Water Charges of Rs.2.016 Millions.**

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**12.3.2005** The Department explained that as a result of verification of record, facts had been verified and accepted by the Audit.

On the recommendation of Audit, the para was settled.

**125. Para No.194 Page 135 of Audit Report for the year 1998-99; Non-Recovery of Compensation Amounting to Rs.1,840,000/-.**

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**11.3.2005** The Audit had pointed out that non- completion of work within specific period and release of security deposit resulted in non-recovery of Rs.1,840,000/-.

The Department explained that the work was taken in hand under emergency as roads on the both banks were to be rehabilitated and the same could not be completed well in time because of technical problems. The extension in time was granted by competent authority and work was completed within the extended time period.

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

**126. Para No.195 Page 136 of Audit Report for the year 1998-99; Non-recovery of Rs.1.654 million.**

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**14.10.2003** Audit observed that store and workshop division Mandi Baha-ud-Din placed an amount of Rs.1,654,035/- under Misc P.W.Advance during 1996-97 recoverable from sister Division/Sub-Division on account of cost of material/work done.

The Department explained that P.W Advance Account would be cleared after allocation of funds by the Finance Department. The representative of the Finance Department pointed out that “Suspense Account” had since been closed in Communications & Works Department but it was continuing in Irrigation & Power Department. The Administrative Secretary sought one month time to examine the record and take necessary action in the matter.

The para was accordingly kept pending.



**10.3.2005** The Department explained that the requisite funds could not be made available.

The Department was directed to probe into the matter and necessary action should be taken against the responsible and **para was kept pending.**

**127. Para No.198 Pages 137 & 138 of Audit Report for the year 1998-99; Non-Recovery of Rs.661,427/-.**

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**12.3.2005** The Department explained that as a result of verification of record, facts had been verified and accepted by the Audit.

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

**128. Para No.201 Pages 139 & 140 of Audit Report for the year 1998-99; Non-Recovery of Rs.354,192/-.**

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**11.3.2005** The Audit had pointed out that violation of scrutiny committee's instruction resulted in non-recovery of Rs.354,192/-.

The Department explained that the claim's of the contractors were cleared by the scrutiny committee and accordingly funds were demanded. Moreover, Lahore High Court Lahore also passed orders for clearance of the claim of petitioner amounting to Rs.54,976/-. In compliance with the Courts orders and recommendation of the scrutiny committee, the claim was settled and amount placed in P.W. Misc. advance and funds were being arranged to clear the P. W. Misc. advance.

The explanation of the Department was accepted and **para was settled subject to allocation of funds and adjustment of advances.**

**129. Para No.202 Page 140 of Audit Report for the year 1998-99; Recoverable Amount of Rs.334,426/-.**

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**11.3.2005** The Audit had pointed out that irregular utilization of budget grant resulted on a recoverable amount of Rs.334,426/- from Sub Divisional Officer against which it was placed under suspense head P.W. Misc: advance.

The Department explained that the work "Closing & Strengthening at RD. 288059/ L & RD 226-227/L Burala Branch" was of emergent nature and could not be delayed. The funds



were not available in proper head of account during June 1996, and payment was made under grant No. 37 (suspense) available to settle the claim of contractor. However special fund application had been forwarded to the Secretary I&P Department for arrangement of fund in proper head of account to clear suspense head.

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

**130.                Para No.203 Page 141 of Audit Report for the year 1998-99; Non-Recovery of Rs.280,000/-.**

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**11.3.2005**        The Audit had pointed out that the security for ramps were not recovered. The omission resulted in non-recovery of Rs.280,000/-.

The Department explained that as a result of verification of record, the facts had been verified by Audit.

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

**131.                Para No.204 Page 141 of Audit Report for the year 1998-99; Loss due to less deduction of income tax Rs.227,692/-.**

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**14.10.2003**        The Department explained that recovery amounting to Rs.65,055/- had been made and the recovery of the balance amount was being pursued.

The Committee directed that the amount recovered should be got verified by Audit and the recovery of the balance amount should be expedited. The name of the contractors/suppliers from whom recovery of income tax was outstanding should also be communicated to the Income Tax Department for necessary action.

The para was kept pending.

**10.3.2005**        The Department explained that the case had since been referred to the taxation officer for effecting recovery of income tax from the contractor/supplier.

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

**132.                Para No.206 Pages 142 & 143 of Audit Report for the year 1998-99; Non-recovery of Rs.171,585/-.**

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**12.3.2005** The Department explained that as a result of verification of record, facts had been verified and accepted by the Audit.

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

**133. Para No.207 Page 143 of Audit Report for the year 1998-99; Non-Recovery of Professional Tax-Rs.168,000/-.**

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**12.3.2005** The Department explained that as a result of verification of record, facts had been verified and accepted by the Audit.

On the recommendation of Audit, the para was settled.

**134. Para No.215 Page 148 of Audit Report for the year 1998-99; Injudicious Allotment of Funds Worth Rs.227.313 Millions.**

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**12.3.2005** The Department explained that as a result of verification of record, facts had been verified and accepted by the Audit.

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

**135. Para No.219 Pages 150 & 151 of Audit Report for the year 1998-99; Excess Allotment of Work Rs.3.096 Millions.**

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**12.3.2005** The Audit had pointed out that allotment of work in excess of the technical sanction and completion of work about 500% less was quite irregular.

The Department explained that the work was allotted on the basis of rough cost estimate and later on the Competent Authority sanction the TS estimate. However, there was no loss to the Government.

The Department was directed to produce the relevant record to the Audit and **para was kept pending.**

**136. Para No.220 Page 151 of Audit Report for the year 1998-99; Embezzlement of Rs.580,816/-.**

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**11.3.2005** The Audit had pointed out that minus figure under column “Balance to be paid” was incorrect and adjustment by not crediting the revenue was embezzlement.

The Department explained that contention of the Audit was not based on facts and there was no excess deposit or embezzlement in cash receipt.

The explanation of the Department was accepted and **para was settled subject to verification of rectification entry/record.**

**137.                Para No.224 Pages 153 & 154 of Audit Report for the year 1998-99; Irregular and fictitious purchase of material valuing Rs.95,884/-.**

**14.10.2003**     The Department explained that the material in question was properly received and taken on material at site account. No irregularity was involved.

The Department was directed to produce the relevant record to Audit.

The **para was settled subject to verification by Audit.**

**138.                Para No.225 Page 154 of Audit Report for the year 1998-99; Irregular refund of security deposit worth Rs.48,000/-.**

**15.10.2003**     Audit had pointed out that the Department refunded the security deposit deducted from the running payment of the contractor before completion of the work. The release of security deposit without completion of work resulted in irregular expenditure of Rs.48,000/-.

The Department explained during the meeting that the Audit observation was correct. Therefore, disciplinary action would be taken against the persons responsible for this irregularity.

The Committee directed that the disciplinary action be completed expeditiously.

The **para was kept pending.**

### **Audit Paras (Revenue Receipts) for the year 1998-99**

**139.                Para No.3.1 Page 61 of Audit Report for the year 1998-99; Short-Realization of Water Rate On Bulk Supply of Water Due To Application of Incorrect Rate – Rs.402,181/-**

PDP No.-5149 Divisional Canal Officer, Rajanpur – Rs.402,181/-

**15.10.2003** Audit had pointed out that due to application of incorrect rate on bulk supply of canal water had resulted in short realization of Govt. dues, worth Rs. 402,181/-.

The Department explained that as per Audit observation revised bill had been issued to concerned water users and Rs.30,000/- had been recovered and the balance of Rs.372,181/- would be recovered soon.

The Committee directed that the recovered amount be got verified by Audit.

The para was kept pending for balance recovery.

**10.3.2005** The Audit had pointed out that the water from different distributaries was supplied to P.A.F Base and Public Health Engineering Rajanpur in bulk.

The Department explained that revised bills had been issued to P.A.F base and public Health Engineering Rajanpur. Efforts were being made to recover outstanding Government dues.

The Department was directed to effect recovery of outstanding Government dues at the earliest and **para was kept pending**.

### **GENERAL OBSERVATION/DIRECTION**

**15.10.2003** The Committee directed that Irrigation & Power Department should issue a circular letter to all Members of the Provincial Assembly of the Punjab to identify the water courses where canal water was not reaching up to the tail ends so that Irrigation & Power Department should take necessary action to rectify the complaints.

### **GENERAL DIRECTION ON THE ISSUE OF ABIANA.**

**12.3.2005** During the discussion of the Audit objection pertaining to Revenue Department and Irrigation Department, it transpired that huge amount under the head Abiana was outstanding for recovery from the farmers in addition to original recoverable amount in the form of 10% surcharge leviable in case the abiana was not paid/recovered within due dates.

The Revenue Department informed the Committee that the Department was the

collecting agency and creation of demand for recovery was the subject of the Irrigation Department

The Revenue Department was of the view that the 10% surcharge was to be imposed to ensure the timely recovery of abiana as per the Government policy.

The Committee after hearing both the Departments was of the view that 10% surcharge was not justified, therefore, the Administrative Department may review its policy and recovery of actual amount be ensured through efficient measure.

The Committee examined the Accounts of the Labour & Man Power Department in its meeting held on 29.7.2002 and made the following recommendations:-

**The Punjab Employees Social Security Institution, Lahore**

**Audit Paras (Commercial) for the year 1998-99**

**1. Para No.3(xxiv)Punjab Employees Social Security Institution,  
Lahore-Non-Compilation of Accounts 1994-99.**

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**29.7.2002** The Department explained that the accounts and record of PESSI for the year 1998-99 had been submitted to the Audit party deputed by the Director General Commercial Audit Punjab during October 2000.

The Committee directed that the Administrative Department should take necessary measures for accurate maintenance of accounts by PESSI in the light of the Audit Report of the Chartered Accountants.

With the above direction, the **para was settled.**

The Committee examined the Accounts of the Livestock & Dairy Development Department in its meeting held on 13.4.2004, 14.4.2004 and 1.12.2004 and made the following recommendations:-

### **Audit Paras (Civil) for the year 1998-99**

#### **1.                Para No.1 Page 9 of Audit Report for the year 1998-99; Loss of Rs.90,333/- due to misuse of vehicle and telephone.**

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**13.4.2004**      The Department explained that the entire recovery had been effected and deposited into Government treasury. Audit, however, pointed out that an amount of Rs.5,654/- was still recoverable.

The Committee settled the para to the extent of recovery made and verified by audit and kept the remaining part pending till balance recovery.

The Committee directed that disciplinary action against Muhammad Hanif Shah, Senior Clerk be taken as recommended in the Inquiry Report.

**1.12.2004**      Department explained that the desired recovery of Rs.5,654/- had been made, deposited into government treasury and the official concerned had been warned.

Audit verified the departmental contention and the **para was settled.**

#### **2.                Para No.2 Pages 9 & 10 of Audit Report for the year 1998-99; Embezzlement of Rs.216,202/- by less accountal in the cash book of the amounts drawn from the government treasury.**

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**13.4.2004**      The Department explained that Rs.122,002/- had been recovered and for the balance recovery of Rs.94,200/- the case was in the Anti Corruption Court. The accused namely Faiz Ahmad, Ex-Superintendent, had absconded and judicial proceedings including attachment of his property were ordered by the court. Department was pursuing the case in ACE.

The Committee kept the para pending with the direction that the department should pursue the case and also convey the directions of PAC for early finalization of the case to the Anti Corruption Establishment.

**1.12.2004**      Department explained that ACE had been approached and the joint Inquiry Committee comprising a representative of Livestock and Finance Departments was still pending with Finance Department for finalization and the Finance Department had been approached again



on 13.10.2004 for early finalization of inquiry.

Finance Department pointed out that the inquiry could not be completed/finalized due to retirement of a member nominated from P&D Department. The revision of the Committee was still under process.

The Committee **kept the para pending** with the direction that joint inquiry comprising of Live Stock & Finance Departments be finalized within 60 days and the case be pursued with the ACE.

**3.                Para No.3 Page 10 of Audit Report for the year 1998-99;  
Embezzlement of Rs.742,585/- on account of non-accountal of the amounts in the cash book drawn from the government treasury.**

**13.4.2004**        The Department explained that Rs.166,180/- had been recovered and the balance recovery of Rs.576,405/- would be effected according to the decision of the court as the case was pending in the Anti Corruption Court. The accused in this case was the same official, namely Faiz Ahmad, ex-Superintendent who was involved in para No.2 considered at serial No.5.

The committee kept the para pending with the direction that the Department should pursue the case with ACE and also convey the directions of PAC for early finalization of the case to the Anticorruption Establishment.

**1.12.2004**        Department explained that ACE had been approached and the joint Inquiry Committee comprising a representative of Livestock and Finance Departments was still pending with Finance Department for finalization and the Finance Department had been approached again on 13.10.2004 for early finalization of inquiry.

Finance Department pointed out that the inquiry could not be completed/finalized due to retirement of a member nominated from P&D Department. The revision of the Committee was still under process.

The Committee **kept the para pending** with the direction that joint inquiry comprising of Live Stock & Finance Departments be finalized within 60 days and the case be pursued with the ACE.

**4.                Para No.4 Page 11 of Audit Report for the year 1998-99; Loss of  
Rs.30,500/- due to mishandling of Tractor No.SLA-3235**

**13.4.2004**        The Department explained that the official involved had been compulsorily retired from service and the amount of the loss of Rs.30,500/- had been recovered from him and deposited into Government Treasury.

The Audit verified the contention of the Department.

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

**5. Para No.5 Pages 11 & 12 of Audit Report for the year 1998-99; Wastage of Government funds amounting to Rs.11,598,433/- and other useless expenditure and recovery thereof.**

**13.4.2004** Audit had pointed out that due to mismanagement, machinery of liquid Nitrogen Plant had been rusted and deteriorated resulting in loss to Government.

The Department explained that a liquid Nitrogen Plant was purchased. During its installation a number of defects were detected which could not be removed. The matter was inquired into by CMIT which recommended action against the officers. Lately a Committee to make further probe was constituted by the Chief Secretary Punjab. Meanwhile one of the members of the Committee namely Special Secretary Finance retired and hence further proceedings were held up.

Finance Department informed the Committee that Mr. Muzafar Ahmad, Additional Secretary, Finance Department, had since been nominated in place of the officer who had retired.

The Committee kept the para pending and directed that the department should vigorously pursue the matter with a view to getting the case finalized at the earliest.

**1.12.2004** Department explained that ACE had been approached and the joint Inquiry Committee comprising a representative of Livestock and Finance Departments was still pending with Finance Department for finalization and the Finance Department had been approached again on 13.10.2004 for early finalization of inquiry.

Finance Department pointed out that the inquiry could not be completed/finalized due to retirement of a member nominated from P&D Department. The revision of the Committee was still under process.

The **Committee kept the para pending** with the direction that joint inquiry comprising of Live Stock & Finance Departments be finalized within 60 days and the case be pursued with the ACE.

**6. Para No.6 Page 12 of Audit Report for the year 1998-99; Wastage of public money of Rs.242,040/-.**

**13.4.2004** Audit had pointed out that a pilot project Drip and Sprinkle Irrigation System

became a failure two years after its installation which resulted in wastage of public money.

The Department explained that the Drip Irrigation System had been revived and was working. However, the case for regularization of expenditure had been sent to the Finance Department on 16.3.2004 which was being pursued vigorously.

The Committee settled the para subject to regularization by the Finance Department.

**1.12.2004** Administrative Department explained that the case had been referred to Finance Department for regularization and action was awaited.

The Committee took serious notice and directed to finalize the case within 30 days and the **para was kept pending.**

**7. Para No.7 Page 13 of Audit Report for the year 1998-99; Misappropriation of 3900 KG Wheat and 12430 KG Bhoosa valuing Rs.37,384/-.**

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**13.4.2004** The Department explained that the entire amount had been recovered and deposited into Government treasury and verified by audit. Action had also been taken against the officials responsible for delayed deposits. Audit verified the contention of the Department.

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

**8. Para No.8 Page 13 of Audit Report for the year 1998-99; Doubtful expenditure of Rs.577,400/- on account of transportation or installation of milk chilling units.**

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**13.4.2004** The Department explained that observations 1 and 2 of the audit had been settled during SDAC meeting held on 7.2.2001 whereas as per its directions, an inquiry in respect of the remaining observation was held in which audit observations were not found correct. The inquiry report had since been approved by the Department.

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

**9. Para No.9 Page 14 of Audit Report for the year 1998-99; Theft of Government vehicle costing Rs.535,000/-.**

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**13.4.2004** The Department explained that an FIR was lodged with the Police Station concerned regarding theft of Government vehicle which as reported by the Police was not

traceable. Consequently, a case had been moved to Finance Department for write off of the loss.

The Committee settled the para subject to write off sanction by the Finance Department.

**1.12.2004** Department explained that the case for write off loss was still under process with the Finance Department and was being pursued vigorously.

The Committee directed the department to get finalize the case within the period of 30 days and the **para was kept pending**.

**10. Para No.10 Page 14 of Audit Report for the year 1998-99; Recovery of Rs.1,718,112/- on account of misuse of project vehicles.**

**13.4.2004** The Department explained that the case was also registered with ACE which recommended recovery from the persons concerned. It was stated that an amount of Rs.137,076/- pertaining to Deputy Director L&DD Sargodha was settled by DAC in its meeting held on 24.9.1998. Mr. Muhammad Arif Nakai, ex-Chief Minister Punjab had since died and therefore, Finance Department had been approached for write off of the amount outstanding against him. District Officer (Rev), Sargodha and Narowal had been approached for recovery from three other persons, whereas Mr. Waris Ali Wahla, ex-SO was absconding.

The Committee kept the para pending with the direction that the department should report latest progress in respect of this para in its next meeting.

**1.12.2004** Department explained that DO( R) Sargodha and Narowal had been requested for effecting recovery from the responsible person and action was still awaited.

The Finance Department pointed out that a staff car was provided to the staff, whenever the Minister was on tour. The Department may explain whether the vehicles were used by the Minister concerned or by the staff.

It was also placed before the Committee that official vehicles were frequently misused by the Government officers.

To ascertain the factual position, the Committee decided to appoint Sub-Committee consisting of the following members:-

- |    |                                       |          |
|----|---------------------------------------|----------|
| 1. | Mr. Aftab Ahmad Khan, MPA (PP-63)     | Convener |
| 2. | Ch. Faisal Farooq Cheema, MPA (PP-35) | Member   |
| 3. | Mrs. Saba Sadiq, MPA (W-352)          | Member   |

The Sub-Committee shall examine in detail the draft paras relating to misuse of Government vehicles and submit its report to PAC-I within the period of 30 days for further consideration. The **para was kept pending.**

**11.            Para No.11 Page 15 of Audit Report for the year 1998-99;  
Misappropriation of seeds and fertilizers amounting to Rs.102,472/-.**

**13.4.2004**    The Department explained that an inquiry was held and the amount pointed out in the inquiry report had been recovered and deposited into Government treasury, which had been verified by audit.

The audit verified that the inquiry report had been seen.

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

**12.            Para No.12 Page 15 of Audit Report for the year 1998-99;  
Misappropriation of stores for Rs.16,808/-.**

**13.4.2004**    The Department explained that the expenditure of Rs.16,808/- had been written off by the competent authority and was verified by audit.

Audit verified the contention of the Department.

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

**13.            Para No.13 Page 16 of Audit Report for the year 1998-99; Loss of  
Rs.51,300/- due to excess use of 1026 doses of artificial insemination.**

**13.4.2004**    The Department explained that as per inquiry conducted, the wastage of 5% was within the admissible limits which was written off by competent authority.

The Audit verified the contention of the Department.

On recommendation of the audit, the **Committee settled the para.**

**14.            Para No.14 Page 16 of Audit Report for the year 1998-99; Non-  
maintenance of log book likely misappropriation of Rs.521,295/-.**

**13.4.2004**    The Department explained that tour notes/diaries of the officers using the vehicles were being scrutinized. However, log books had already been produced to audit.

The Committee settled the para subject to verification of relevant record by audit.

**1.12.2004** Audit explained that record pertaining to Log Book, purchase of POL and repair of vehicles had been seen and verified but the record respecting condemned parts and disposal thereof had not been produced to Audit for verification.

Administrative Secretary assured the Committee that the register of condemned items had been traced out and would be got verified by Audit. He requested the PAC that para may be settled.

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

**15.            Para No.15 Page 17 of Audit Report for the year 1998-99;  
Embezzlement of Rs.25,225/-.**

**13.4.2004** The Department explained that the inquiry report duly vetted had been produced to audit. Moreover, the relevant record had also been presented to and verified by audit.

The Audit verified the contention of the Department.

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

**16.            Para No.16 Page 19 of Audit Report for the year 1998-99; Loss of  
Rs.50,000,000/- due to illegal/non occupation of Government land/  
residence.**

**13.4.2004** The Committee discussed the para at length since there was conflict/ disagreement between the comments of the audit and the department regarding the size of the encroached area, reduction of area under illegal occupation and shifting of office of Deputy Director L&DD etc. The Committee directed that the Department and audit should coordinate with each other and resolve the matter under intimation to PAC.

The para was kept pending.

**1.12.2004** Audit verified the departmental contention and recommended the para for settlement.

The **Committee accordingly settled the para.**



**17. Para No.17 Page 21 of Audit Report for the year 1998-99;  
Expenditure beyond competency worth Rs.326,741/-.**

**13.4.2004** The Department explained that the purchase was made after observing all codal formalities and obtaining sanction from the competent authority.

The Audit verified the contention of the Department.

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

**18. Para No.18 Pages 21 & 22 of Audit Report for the year 1998-99;  
Irregular purchase of cattle crushes amounting to Rs.8,628,750/-.**

**13.4.2004** The Department explained that this para was duplication of draft para 20.1 of audit report 1996-97 which was considered in PAC meeting held on 12.7.2001. Presently the case was pending with PST and Honourable Supreme Court to the extent of M/S Zahid Mahmood Sheikh and Muhammad Nawaz Malik. Meanwhile, Supreme Court had heard the appeal of Dr Azhar Iqbal and CP&A of the Department and copy of the decision was awaited. However, notice for effecting recovery had been sent to concerned District Officer(Rev) vide letter dated 9.3.2004.

The case being subjudice, the para was kept pending.

**1.12.2004** The issue being sub-judice with PST and Supreme Court of Pakistan was not discussed in the meeting held on 13-14.4.2004.

Administrative Department explained that the issue was still sub-judice with the PST and Supreme Court of Pakistan.

The Committee directed to pursue the court case in the court and **the para was kept pending.**

**19. Para No.19 Pages 22 & 23 of Audit Report for the year 1998-99;  
Irregular and un-economical purchase of consumable stores amounting to Rs.1,363,546/-.**

**13.4.2004** The Department explained that the matter had been got inquired into at secretariat level and as per recommendation of the Inquiry Officer, case had been referred to the Finance Department on 15.3.2004 for regularization of the expenditure which was being pursued vigorously. A copy of inquiry report duly approved by the Department had been forwarded to audit for verification.



The Committee settled the para subject to regularization of the expenditure by Finance Department.

**1.12.2004** Administrative Department explained that Finance Department vide its letter No. SO (BE)/L&DD-8-19/2003 dated 20.11.2004 had regularized the expenditure and the same has been got verified by Audit.

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

**20. Para No.20 Page 23 of Audit Report for the year 1998-99; Irregular expenditure on appointment of contingent paid staff amounting to Rs.51,458/-.**

**13.4.2004** The Department explained that on its request the Finance Department relaxed the ban vide letter dated 19.2.1998 for full year and requested for the settlement of the para.

The Committee settled the para subject to regularization of the expenditure by Finance Department.

**1.12.2004** Administrative Department explained that the case had been submitted to Finance Department for regularization and decision was still awaited.

The Committee directed the department to get regularized the expenditure within period of 30 days, if not the amount involved may be recovered and inquiry against the responsible may also be initiated. The **para was kept pending.**

**21. Para No.21 Page 24 of Audit Report for the year 1998-99; Irregular purchase of poultry feeds amounting to Rs.642,111/-.**

**14.4.2004** The Audit pointed out that the para had already been settled by the SDAC in its meeting held on 20-4-2000 and recommended the para for settlement.

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

**22. Para No.22 Page 24 of Audit Report for the year 1998-99; Irregular installation of tubewell worth Rs.361,275/-.**

**14.4.2004** Audit pointed out a number of irregularities i.e. incurring of expenditure beyond competency and rates charged were abnormally high etc.

The Department explained that a denovo inquiry into the matter had been ordered

for fixing the responsibility under the E&D Rules.

The Committee took serious notice of the delay in finalizing the matter and directed the department to complete inquiry within 60 days under intimation to PAC.

The para was kept pending.

**1.12.2004** Administrative Secretary explained that the denovo inquiry conducted by the Director (HQ) Livestock & dairy Development was not satisfactory therefore, a fresh inquiry had been ordered into the matter and requested the Committee to pend the para.

The para was accordingly kept pending.

**23. Para No.23 Page 25 of Audit Report for the year 1998-99; Uneconomical expenditure of Rs.321,500/- on purchase of concentrate.**

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**14.4.2004** Audit verified that the expenditure of Rs.321,500/- had been regularized by the Finance Department.

On the recommendation of audit, the **Committee settled the para.**

**24. Para No.24 Page 25 of Audit Report for the year 1998-99; Irregular and un-economical expenditure on purchase of poultry feed amounting to Rs.1,087,745/-.**

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**14.4.2004** The Department explained that different kinds of feed were purchased on different dates within the competency. Poultry feed being fragile item was not purchased in bulk. The sanctions for purchases made were accorded on one day but there was no intention of splitting the expenditure and codal formalities were observed.

Finance Department observed that under the rules splitting was not permissible which needed to be regularized by Finance Department.

The Committee settled the para subject to regularization of expenditure by the Finance Department.

**1.12.2004** Administrative Department stated that the case for regularization had been moved to Finance Department on 4.8.2004 and was being pursued personally by the Director Poultry Research.

The Committee kept the para pending for regularization by the Finance Department.

**25. Para No.25 Page 26 of Audit Report for the year 1998-99; Recovery of Rs.68,528/- on account of pay not admissible but drawn by Dr. Sultan Mahmood Research Officer.**

**14.4.2004** The Department explained that the service period of the officer was regularized by the S&GAD.

Audit verified the contention of the Department.

On the recommendation of audit, the **Committee settled the para.**

**26. Para No.26 Page 26 of Audit Report for the year 1998-99; Irregular purchase of computers for Rs.2,914,800/-.**

**14.4.2004** The Department explained that major penalty of dismissal from service with the necessary recovery was imposed upon Dr. Zahid Mahmood Sheikh, who had challenged the same in PST. The case was sub-judice.

The Committee kept the para pending with the direction that the department should pursue the case vigorously with the PST for its early finalization.

**1.12.2004** The Department explained that the issue had been decided in the PST and the department had filed appeal in Supreme Court of Pakistan and case was pending with the court.

The Committee directed the department to pursue the case in the court and **the para was kept pending.**

**27. Para No.27 Page 27 of Audit Report for the year 1998-99; Unauthorized commissioning of liquid nitrogen plant at Sheikhpura valuing Rs.2,421,202/-.**

**14.4.2004** Audit pointed out that the stated expenditure was incurred on account of repair of liquid nitrogen plant at Artificial insemination center, Sheikhpura. The expenditure was incurred without provision of PC-1 or approval of ECNEC and without commissioning of plant.

The Department explained it was duplication of Draft Para No.50 as the figures/ amounts mentioned in Para 50 to the extent of Rs.1,689,702/- were also mentioned in this para. However, a High Powered Committee constituted on the orders of the Chief Secretary was

making a probe into the matter for working out the exact loss and apportionment thereof among the accused.

The Committee kept the para pending with the direction that the Department should vigorously pursue the inquiry/case with the quarters concerned.

**1.12.2004** Administrative Department explained that the Committee constituted by the Chief Secretary was consisting of three members, without nominating Convener of the Committee. C.S has been approached for nomination of the Convener.

The Committee expressed its concern over the inordinate delay and directed the department to finalize the issue within the period of seven days and the **para was kept pending.**

**28.            Para No.28 Page 28 of Audit Report for the year 1998-99; Irregular re-appropriation of funds for Rs.52,429/-.**

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**14.4.2004** The Department explained that SDAC in its meeting held on 28.6.1999 had already settled this para.

Audit verified the contention of the department.

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

**29.            Para No.29 Page 30 of Audit Report for the year 1998-99; Outstanding dues from patadars not recovered amounting to Rs.1,409,432/-.**

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**14.4.2004** The Department explained that the entire amount had been recovered and deposited into Government Treasury.

Audit verified the Departmental contention.

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

**30.            Para No.30 Pages 30 & 31 of Audit Report for the year 1998-99; Non-recovery of Rs.329,106/- on account of cost of medicine.**

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**14.4.2004** On the verification by Audit that the para has already been settled by SDAC in its meeting held on 13-9-2001, the **Committee settled the para.**

**31. Para No.31 Page 31 of Audit Report for the year 1998-99; Loss to Government due to less deduction of income tax amounting to Rs.18,488/-.**

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**14.4.2004** On the verification of Audit that the para was considered in the SDAC meeting held on 20-7-1999 and was reduced to Rs.8,942/- and that the recovery of the balance amount was made good and deposited into Government Treasury, the **Committee settled the para.**

**32. Para No.32 Pages 31 & 32 of Audit Report for the year 1998-99; Outstanding Government dues of Rs.434,507/-.**

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**14.4.2004** The Department explained that an amount of Rs.67,657/50 had already been verified by SDAC in its meeting held on 19/20-7-1999 and the para was reduced to Rs.366,849/50 which had also been recovered and deposited into the Government Treasury.

The Committee settled the para subject to verification of record by Audit.

**1.12.2004** Audit explained that the record had been verified and the **para was accordingly settled.**

**33. Para No.33 Page 32 of Audit Report for the year 1998-99; Recovery of Rs.80,315/- from persons/authorities.**

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**14.4.2004** The Department explained that the entire amount of the Para has been recovered and deposited into Government Treasury and verified by Audit.

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

**34. Para No.34 Page 32 of Audit Report for the year 1998-99; Recovery of land rent amounting to Rs.5,652,498/-.**

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**14.4.2004** The Department explained that actual outstanding amount was Rs.5,652,290/- and not Rs.5,652,489/- which had been recovered/deposited into Government Treasury.

The audit verified the departmental contention.

On the recommendation of audit, the **Committee settled the para.**

**35.            Para No.35 Page 33 of Audit Report for the year 1998-99; Non-recovery of Rs.1,837,563/- on account of cost of vaccines/sera.**

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**14.4.2004**      The Department explained that out of the total amount, a sum of Rs.764,096/- (Rs.240,265/- recovered plus Rs.523,831/- adjusted against the advance payment received from Government of Sindh) had been recovered. The balance amount was outstanding against Director Animal Husbandry, Sindh, and for recovery thereof hectic efforts were being made. The Department further stated that in future no vaccine would be given without advance payment.

Finance Department observed that the department should take up the matter with the Government of Sindh through Chief Secretary Punjab.

The Committee directed that the audit should adjust the amount of Rs.523,831/- already deducted by the department as a special case and the department should pursue the matter with Government of Sindh for balance recovery at the earliest.

The para was kept pending.

**1.12.2004**      Administrative Department stated that Director Animal Husbandry Sindh Hyderabad was approached to get the remaining amount realized. Chief Secretary, Sindh was also approached through Chief Secretary, Punjab but could not prove fruitful. Administrative Department further stated that they were now going to hold meeting with the concerned to adjust the amount.

The **Committee kept the para pending** with the direction that the matter be taken up at the personal level to resolve the issue.

**36.            Para No.36 Page 33 of Audit Report for the year 1998-99; Recovery of Rs.706,702/- of Government dues from pattadars.**

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**14.4.2004**      Audit stated that actual recoverable amount came to Rs.698,216/- instead of Rs.706,702/- which had been recovered and verified the same.

On the recommendation of audit, the **Committee settled the para.**

**37.            Para No.37 Page 34 of Audit Report for the year 1998-99; Non deduction of 5% house rent amounting to Rs.32,202/- from the staff residing in Government accommodation.**

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**14.4.2004** The Department explained that the remaining amount of Rs.28,705/- had been recovered and deposited into Government Treasury.

Audit verified the departmental contention during the course of the meeting.

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

**38. Para No.38 Page 34 of Audit Report for the year 1998-99; Recovery of Rs.217,066/- on account of drawal of pay of official not performing duty.**

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**14.4.2004** Audit pointed out that Mr Muhammad Ali, Stock Assistant was performing his duty at Okara since 1990 instead of his original place of posting at Sahiwal. He was drawing his pay and allowances from Sahiwal. This resulted into an irregular payment amounting to Rs.217,066/-.

The Department explained that the official concerned was allowed to work at Okara and draw pay from Sahiwal Office in public interest. The official had, however, been transferred and was now performing duties at the place or drawal of his salary. Meanwhile, case had been referred to Finance Department for regularization.

The Committee settled the para subject to regularization by the Finance Department.

**1.12.2004** Administrative Department explained that the case had been referred to Finance Department for regularization but the same was still under process with Finance Department.

The **Committee kept the para pending** with the direction that the case be got finalized within 30 days under intimation to PAC.

**39. Para No.39 Page 35 of Audit Report for the year 1998-99; Recovery of Rs.29,405/- on account of sale of garden and meanal water.**

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**14.4.2004** The Department explained that the entire amount had been recovered and deposited into Government Treasury and verified by Audit.

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

**40. Para No.40 Page 35 of Audit Report for the year 1998-99; Non**



### **deduction of income tax for Rs.774,340/-.**

**14.4.2004** The Department explained that Mr Masood Ahmad, Accounts Assistant, was found responsible for non-deduction of Income Tax in an inquiry and major penalty of compulsory retirement from service was imposed on him. However, PST set aside the orders of the competent authority which was upheld by the Supreme Court. The official had joined duty now.

The Department further explained that an amount of Rs.193,513/- had been deposited into Government Treasury, and for the recovery of Rs.400,294/- DO (Revenue) had been moved. The department also gave justification regarding non-deduction of certain other amounts.

The Committee kept the para pending with the direction that Department should effect balance recovery at the earliest.

**1.12.2004** Administrative Department stated that notices had been served to all concerned firms for depositing the amounts of Income Tax outstanding against them and also provide professional tax certificate for the year 1995-96.

The **Committee kept the para pending** with the direction that if they were not inclined to pay the Government dues, legal action may be initiated to effect recovery.

### **41. Para No.41 Page 36 of Audit Report for the year 1998-99; Recovery of penal rent amounting to Rs.51,181/- on account of unauthorized occupation of Government residence.**

**14.4.2004** Audit pointed out that an official removed from service w.e.f. 3-8-1992 was still occupying government residence which had resulted into loss to Government.

The Department explained that the official concerned had vacated government residence in 1997 and the matter of recovery as arrears of land revenue was being vigorously pursued with the concerned Revenue authorities.

Finance Department observed that unauthorized occupation of government residence by the official after removal from service indicated lapse on the part of department.

The Committee kept the para pending with the direction to pursue the case for effecting recovery as arrears of land revenue.

**1.12.2004** Administrative Department stated that the balance recovery was being pursued personally by the District Officer Livestock, Multan and that amount of Rs.5,000/- had been recovered and deposited into Government treasury vide challan No.63 dated 15.4.2004.

The **Committee settled the para subject to balance recovery and verification by Audit.**

**42.            Para No.42 Pages 36 & 37 of Audit Report for the year 1998-99; Recovery of overpayment for Rs.99,640/-.**

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**14.4.2004** Audit had pointed out grant of advance increments to technicians in violation of rules/instructions on the subject.

The Department explained that as per the judgments of the courts, the financial benefit, once granted could not be withdrawn. However, soon after the receipt of audit report, advance increments were stopped w.e.f. June 1997. The department further stated that of all requisite bills/vouchers were produced to the Audit for verification on 31-3-2004 along with the service books of the officials concerned.

Finance Department observed that admissibility or otherwise, of grant of increments should have been examined under the law/rules at the relevant time. If these were not admissible, why these were not stopped in 1992.

The Committee kept the para pending with the direction that the department should effect the recovery at the earliest under the intimation to PAC.

**1.12.2004** Administrative Department explained that the expenditure had been got regularized by the Finance Department and no further recovery was due.

Audit verified the contention of the Department and **para was settled.**

**43.            Para No.43 Page 37 of Audit Report for the year 1998-99; Recovery of Rs.34,482/- on account of shortage of stores.**

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**14.4.2004** The Department explained that the entire amount had been recovered and deposited into Government Treasury the record has been verified by audit.

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

**44.            Para No.44 Pages 37 & 38 of Audit Report for the year 1998-99; Recovery of Rs.22,003/- on account of non deduction of 5% rent of \_**

**building.**

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**14.4.2004** The Department explained that record had been produced to audit which had verified the same.

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

**45.            Para No.45 Page 38 of Audit Report for the year 1998-99; Recovery of Rs.50,207/- due from creditors.**

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**14.4.2004** The Department explained that the para has already been settled by the SDAC in its meeting held on 25-10-2000.

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

**46.            Para No.46 Page 38 of Audit Report for the year 1998-99; Non-recovery of interest of Rs.36,345/- on account of house building advance.**

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**14.4.2004** The Department explained that the amount pointed out by the Audit had been recovered from the officer concerned and deposited into Government Treasury. The record had been verified by Audit.

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

**47.            Para No.47 Page 39 of Audit Report for the year 1998-99; Non-recovery of land rent amounting to Rs.768,393/-.**

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**14.4.2004** The Department explained that actual recoverable amount was Rs.1,763,235/- instead of Rs.1,763,105/-, which had been recovered and verified by audit.

On the recommendation of the audit, the **Committee settled the para.**

**48.            Para No.48 Page 39 of Audit Report for the year 1998-99; Recovery of Rs.78,297/- on account of irregular drawal of house rent allowance.**

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**14.4.2004** Audit pointed out that the officials of Livestock and Dairy Development Department were occupying Government residences of Health Department and had also been

drawing House Rent Allowance. This resulted into a loss to Government amounting to Rs.78,297/-.

The Department explained that the matter had been got enquired at Secretariat level and the competent authority decided to recover the amount from concerned officials. An amount of Rs.5000/- had been recovered and deposited into Government Treasury. The recovery was being made in installments from the officials concerned being low-paid employees.

Finance Department pointed out that there was misconduct on the part of the officials who drawing house rent allowance on the certification that they did not occupy the Government accommodation.

The Committee kept the para pending with the direction that the department should hold an inquiry, fix responsibility and effect the recovery at the earliest under the intimation to PAC.

**1.12.2004** Administrative Department explained that regular inquiry under E&D Rules had been ordered into the matter and further action would be taken in the light of the findings of the inquiry report and requested to pend the para till finalization of inquiry.

Committee accepted the request and the **para was kept pending.**

**49.            Para No.49 Page 41 of Audit Report for the year 1998-99;  
Uneconomical expenditure of Rs.1,668,583/-.**

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**14.4.2004** Audit had pointed out that a sum of Rs.1,668,583/- was spent on purchase of feeds and medicines without observing any rules and regulations.

The Department explained that an inquiry was conducted in which it was found that purchases were made after observing codal formalities and sanctions were given by the officer concerned within his competency.

Finance Department observed that the Department should examine whether purchases made fell within the competence of the officers or regularization by competent forum was needed.

The Committee kept the para pending with the direction that the department should coordinate with audit and produce the record to them for verification at the earliest.

**1.12.2004** Administrative Department explained that the case for condonation had been moved to Finance Department but the same was still awaited.

Committee settled the para subject to condonation by the Finance Department.

**50.            Para No.50 Page 41 of Audit Report for the year 1998-99; Loss of Rs.1,935,594/- on repair of nitrogen gas plant at Sheikhpura.**

**14.4.2004**        The Department explained that it was duplication of Para No.27 as the figures/ amounts involved in Para 27 to the extent of Rs.1,689,702/- were also mentioned in this para. However, a high-powered Committee constituted on the orders of the Chief Secretary was making a probe into the matter for working out exact loss and apportionment thereof among the accused.

The Committee kept the para pending with the direction that the department should vigorously pursue the inquiry/case with the quarters concerned.

**1.12.2004**        Administrative Department explained that the Committee constituted by the Chief Secretary was consisting of three members, without nominating Convener of the Committee. C.S has been approached for nomination of the Convener.

The Committee expressed its concern over the inordinate delay and directed the department to finalize the issue within the period of seven days and the **para was kept pending.**

**51.            Para No.51 Page 42 of Audit Report for the year 1998-99; Purchase of furniture at higher rate involving overpayment of Rs.1,900,500/-.**

**14.4.2004**        The Department explained that the officers involved in the para were proceeded against under E & D rules and various penalties with recovery of certain amounts were imposed upon them. One officer namely Dr Zahid Mahmood Sheikh filed an appeal in PST and the decision was pending. The appeal filed by Dr Azhar Iqbal was decided by PST in his favour and the Department had filed CPLA in the Supreme Court of Pakistan against the decision of PST.

The Committee directed the department to vigorously pursue the case with the quarters concerned.

The para was kept pending.

**1.12.2004**        The issue being sub-judice with PST and Supreme Court of Pakistan was not discussed in the meeting held on 13-14.4.2004.

Administrative Department explained that the issue was still sub-judice with the PST

and Supreme Court of Pakistan.

The Committee directed to pursue the court case in the court and **the para was kept pending.**

**52. Para No.52 Page 42 of Audit Report for the year 1998-99; Award of contract for Rs.1,988,000/- for the purchase of sign-board to the higher bidder by tempering the record.**

**14.4.2004** The Department explained that five officers were proceeded against under E & D rules and various penalties were imposed upon them. One officer namely Dr Zahid Mahmood Sheikh had filed an appeal in PST which was pending. Two officers had filed appeals in PST and as per judgment the charges were not proved against them. The Department had filed CPLA in the Supreme Court of Pakistan against the decision of PST.

The Committee directed the Department to vigorously pursue the case with the quarters concerned.

The para was kept pending.

**1.12.2004** The issue being sub-judice with PST and Supreme Court of Pakistan was not discussed in the meeting held on 13-14.4.2004.

Administrative Department explained that the issue was still sub-judice with the PST and Supreme Court of Pakistan.

The Committee directed to pursue the court case in the court and **the para was kept pending.**

### **Audit Para (Commercial) for the year 1998-99**

**53. Para No.3(xxii) Page 7 of Audit Report for the year 1998-99, Punjab Dairy Corporation, Lahore**

**14.4.2004** The Committee initially considered the para on 13.4.2004 but due to non-production of working papers the consideration of the para was deferred to 14.4.2004.



Audit pointed out that the accounts for the year 1998-99 were due but the same were not provided.

Administrative Department explained that no funds were released to Punjab Dairy Corporation (defunct) as grant in aid/loan during financial year 1998-99 and quoted Finance Department's letter dated 12.4.2004 in support of their contention. Presently, it was functioning as a company, namely "Idara-e-Kissan" and its annual audit was being done by chartered accountants.

Finance Department observed that Idara-e-Kissan was a registered body under the Societies Act, 1960. Director General Commercial Audit was not relevant to this institution because company's audit was done under its own Special Act/law.

Director General Commercial Audit was of the view that their Department was competent to do the audit of such firms, but it did regulatory audit rather than looking into irregularities. However, it would be better to seek law Department's advice on this issue.

The Committee directed that DG Commercial Audit should refer the matter to Finance Department with their views regarding jurisdiction of audit of this company for examination by Finance Department and report.

The para was kept pending.

**1.12.2004** Audit had pointed out that accounts for the year 1998-99 had not been provided for verification.

Administrative Department remained at its previous views.

The Audit explained that action had been initiated with Chief Secretary, Punjab as per direction of the Committee.

The Committee directed that the Audit may pursue the case with Chief Secretary and **para was kept pending.**



The Committee examined the Accounts of the Local Government & Rural Development in its meeting held on 5.4.2004, 6.4.2004, 7.4.2004 & 2.12.2004 and made the following recommendations:-

### **Audit Paras (Works) for the year 1998-99**

#### **1. Para No.1 Page 7 of Audit Report for the year 1998-99; Misappropriation of bitumen worth Rs.8.211 million.**

**5.4.2004** The Committee considered the para but later on deferred the same to 6.4.2004 as some details were lacking with the direction that the Department should ensure the provision of the working papers complete in all respects duly commented upon by the audit well in time.

The Committee decided to defer the proceeding to 6.4.2004 for consideration of the remaining business.

**6.4.2004** Audit had pointed out that advance payment for purchase/supply of bitumen was made but accountal and consumption thereof was not produced to audit.

The Department explained that the amount shown in this draft para as misappropriated was Rs.10.911 million instead of Rs.8.211 million as the amount drawn vide cheque No.293427 dated 14.6.1992 was Rs.3,000,000/- instead of Rs.300,000/-. Bitumen worth Rs.2.111 million only was purchased and remaining amount of Rs.8.800 million was transferred and credited to Account No.8123-2 in National Bank of Pakistan. The bank statement showing credit of Rs.8.800 million and statement showing the receipt of requisite quantities and consumption of bitumen was available for verification.

The Committee was not satisfied with the explanation of the Department and was of the view that in this case violation of financial rules/irregularity was involved.

The Committee directed that the Department should further probe the matter, fix responsibility and take action against those found responsible at the earliest.

The para was kept pending.

**2.12.2004** Administrative Secretary stated that inquiry report had been received in the Director General Office just two days before. He had not yet seen it.

The **para was kept pending** for consideration/examination of the inquiry report and action by the Administrative Department.

## **2.                Para No.2 Page 8 of Audit Report for the year 1998-99; Misappropriation of Rs.7.020 million.**

**5.4.2004**        The Committee considered the para but later on deferred the same to 6.4.2004 as some details were lacking with the direction that the Department should ensure the provision of the working papers complete in all respects duly commented upon by the audit well in time.

The Committee decided to defer the proceeding to 6.4.2004 for consideration of the remaining business.

**6.4.2004**        Audit had pointed out that LG&RD Department Toba Tek Singh made payment of Rs.7.02 million to various officials from development contingencies to meet expenditures on various items but their vouched account was not produced to Audit.

The Department explained that various cheques issued in the name of officials/ officers were credited in the official accounts of ADLG Toba Tek Singh in Bank of Punjab and NBP and all payments from these accounts were made on account of approved development schemes.

Finance Department observed that the cheques in question could not be issued in the name of clerical staff and the funds should have been got revalidated.

The Committee was not satisfied with the explanation of the department and directed that the Department should get all the relevant record verified by Audit at the level of DAC and submit a report to PAC.

The para was kept pending.

**2.12.2004**        Administrative Secretary explained that the schedule of SDAC meeting had been issued and the necessary record of vouched account was to be presented in the meeting. He stated that because of devolution the record was scattered and was to be collected from the different district.

Administrative Secretary assured that the report will be submitted to the Committee shortly.

The **para was kept pending** with the direction to finalize the requisite action and report within 30 days.

### **3.                Para No.3 Pages 8 & 9 of Audit Report for the year 1998-99; Misappropriation of Rs.4,685,000/-**

**7.4.2004**        Audit had pointed out that non-submission of vouched account had resulted in misappropriation.

The Department explained that in the light of directions of Federal/Provincial Government, various amounts were transferred to the field formations of the executing agencies of the Punjab and Federal Government for execution of approved development schemes under Tameer-e-Wattan Programme & priority schemes. The scrutiny of such funds was within the jurisdiction of the office of DG Works Audit and the concerned field formations had been directed to get the record verified regarding transactions pointed out by audit.

Finance Department observed that the Department was responsible for production of record for verification in respect of funds transferred to the executing agencies.

The Committee kept the para pending with the direction that the Department in coordination with Finance Department should resolve the matter at the earliest under intimation to PAC.

**2.12.2004**        Department explained that after verification of record the amount of the para had been reduced to Rs.3,988,490/- and Audit verified. However, efforts were being made to obtain the remaining record from the executing agencies.

The Committee directed to resolve the issue within 30 days and the **para was kept pending.**

### **4.                Para No.4 Page 9 of Audit Report for the year 1998-99; Fraudulent Withdrawal of Rs.1,634,039/-**

**6.4.2004**        Audit had pointed out that Assistant Director, LG&RD Department Chakwal failed to enter into Cash Book five cheques which were issued to different contractors. The counterfoils were also not available resulting in loss of Rs.1,634,039/-.

The Department explained that as a result of departmental inquiry, Mr. Farrukh Sarfraz, the then Assistant Director Local Government office Chakwal was dismissed from service and the competent authority ordered to recover the total amount from the said official as arrears of Land Revenue. A case was also got registered with Anti Corruption Establishment,

Rawalpindi Region which was later referred to FIA for further proceedings against the officers/officials of NBP Chakwal as well those who made payments against fictitious signature of the DDO.

The Committee directed the Department to pursue the case vigorously.

The para was kept pending.

**2.12.2004** The Department explained that the case was still in FIA/Banking Court at Islamabad and the concerned office was pursuing the case. Further action would be taken in the light of decision of the Court.

The para was kept pending.

**5. Para No.5 Page 10 of Audit Report for the year 1998-99; Fraud/embezzlement of Rs.1,512,305/- and non-production of record.**

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**7.4.2004** Audit had pointed out that the transfer of Government money from personal ledger account to private account had resulted in fraud/embezzlement.

The Department explained that a case was got registered against the three accused officials with ACE Faisalabad, which recommended departmental action against them on the ground that the amount illegally drawn was deposited in Government account later. The Inquiry Committee constituted afresh had submitted its recommendations to the competent authority which had fixed 13-4-2004 for affording personal hearing to the accused officials.

The Committee was not satisfied with the explanation of the department and wanted to know reasons of inordinate delay and directed that the department should finalize the matter/inquiry proceedings at the earliest and submit a detailed report covering all aspects of the case to PAC.

The para was kept pending.

**2.12.2004** Department explained that ACE had referred back the case with the remarks that the entire recovery had been made, therefore, department should consider disciplinary action at its own level. It was further explained that D.G, Local Government, Punjab, being competent authority had passed final orders on 19.6.2004, awarding major penalty of recovery of Rs.370,363/- in addition to the amount already recovered. The said recovery had been effected under pension rules.

The official concerned had filed an appeal to the Secretary, Local Government against the recovery.

Representative from the Finance Department opined that since the departmental action had been completed, the para could be settled.

The para was accordingly settled.

**6. Para No.6 Page 11 of Audit Report for the year 1998-99;  
Misappropriation Worth Rs.879,000/-.**

**6.4.2004** Audit had pointed out that Assistant Director LG&RD Department Jhang made payment of Rs.879,000/- to SSP Jhang and AC Chiniot for execution of various works. The vouched accounts of these payments were not produced to Audit for verification.

The Department explained that despite numerous reminders, the concerned offices had not produced the requisite vouched accounts and the same would be produced to Audit as soon as received from the concerned formations.

The Committee directed the Department to expedite the process for verification of requisite record by Audit at the earliest.

The para was kept pending.

**2.12.2004** Department explained that record pertaining to SSP Jhang office had been produced to Audit. However, the record pertained to AC Chinniot has yet to be produced to Audit for verification.

The Committee observed that DDO(Rev) Chiniot did not attend the meeting and deputed a Senior Clerk for the purpose, taking serious notice of the absence of DDO (Rev), the Committee directed that concerned DDO(Rev), Chiniot should attend the meeting of PAC at 9.00 a.m. on 3.12.2004 to explain the factual position and the **para was kept pending.**

**7. Para No.7 Pages 11 & 12 of Audit Report for the year 1998-99; Mis-  
appropriation of Rs.50,000/-.**

**7.4.2004** The Department explained that the requisite deposit slips for Rs.50,000/- had been traced out and same were available with the quarters concerned.

The Committee accepted the explanation of the department and **settled the para.**

**8. Para No.8 Pages 12 & 13 of Audit Report for the year 1998-99;  
Overpayment of Rs.636,217/-.**

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**7.4.2004** Audit had pointed out that LG&RD Department , Sheikhpura had made payment of earth work without provision in the agreement which resulted in overpayment of Rs.636,217/- to the contractor..

The Department explained that the provision of lead existed in the BOQ and technically sanctioned estimate. However, it could not be indicated in the work order due to omission of clerical staff. The provision of lead in various cases varied from 100ft to 1 mile and as such no over-payment was involved because the payments were made according to the provisions of BOQ and according to actual site condition.

The Committee accepted the explanation of the department and **settled the para.**

**9. Para No.9 Page 13 of Audit Report for the year 1998-99;  
Overpayment of Rs.404,061/-.**

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**7.4.2004** Audit had pointed that LG&RD Department, Rahim Yar Khan allowed higher rates to M/S Cholistan Construction Company for the surface treatment of the road.

The Department explained that necessary details and supporting documents had not been received from the field formations, therefore, it was decided to hold a fact-finding inquiry and fix responsibility for the irregularity, if committed.

The Committee directed the Department to complete the inquiry proceedings and fix responsibility for the lapse within three months under intimation to the PAC.

The para was kept pending.

**2.12.2004** The Department explained that the inquiry had been received and as per findings of the inquiry some lapses had been observed regarding execution of work. The Department further explained that the Engineer Incharge was competent to change specification of work and variations were approved by the competent authority.

**The para was kept pending** with the direction that action be taken in light of the



inquiry report.

**10. Para No.10 Page 14 of Audit Report for the year 1998-99;  
Overpayment of Rs.324,328/-**

**7.4.2004** Audit had pointed out that LG&RD Department, Muzaffargarh had measured and paid for the excess item of earthwork excavation resulting in overpayment.

The Department explained that the site was located in sandy area where shifting of sand dunes took place under windy conditions. The actual measurement for earthwork excavation increased at certain RDs and reduced at certain others. The administrative approval was also revised from Rs.8 lac to Rs.11.50 lacs. However, there was no significant change in the overall quantity for excavation. As such no overpayment was involved.

The Committee settled the para subject to verification of record by audit within three months.

**2.12.2004** Audit stated that the relevant record had been verified and accepted the departmental contention.

**The para was accordingly settled.**

**11. Para No.11 Pages 14 & 15 of Audit Report for the year 1998-99;  
Overpayment of Rs.280,671/-**

**7.4.2004** The Department explained that in all the three projects involved in the para, new metalled road were constructed with metalled width of 10 ft: and formation width of 24 ft. In all these cases 1:2 side slopes could not be maintained due to non-availability of sufficiently wide strip of land and as such top width and height of the embankment was maintained as per site requirements whereas, the bottom width was maintained as per available strip of land.

The Committee accepted the explanation of the department and **settled the para.**

**12. Para No.12 Page 15 of Audit Report for the year 1998-99;  
Overpayment of Rs.228,697/-**

**7.4.2004** The Department explained that audit had worked out excess payment on the assumption that widening of existing embankment was done with side slope of 1:2, whereas, as a matter of fact, the height was already fixed and bottom width of berms was extended up to the limit of available land. The embankment was maintained as per site requirements and bottom width was maintained as per available strip of land. As such no over payment was involved.



The Committee accepted the explanation of the department and **settled the para.**  
**13. Para No.13 Page 16 of Audit Report for the year 1998-99;**  
**Overpayment of Rs.199,873/-**

**7.4.2004** Audit had pointed out that LG&RD Department, Jhang made payments for the non-schedule item of work at higher rates instead of admissible rates as per agreement.

The Department explained that the quoted and agreement rates were 1.95% below the sanctioned non-schedule rates and the contractor was paid accordingly. No over payment was, therefore, involved. The entire expenditure was pre-audited.

The **Committee settled the para** with the direction that the department should observe all the codal formalities in future.

**14. Para No.14 Pages 16 & 17 of Audit Report for the year 1998-99;**  
**Overpayment of Rs.188,015/-**

**6.4.2004** Audit had pointed out that Assistant Director LG&RD Kasur had made payments for measurement of excessive quantity which resulted in overpayment of Rs.188,015/-.

The Department explained that a portion of the road was metalled which was earlier in the form of proper brick soled road and all the payments were made in accordance with provisions of technically sanctioned estimate as per actual site conditions.

Audit verified the departmental contention and recommended the para for settlement.

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

**15. Para No.15 Page 17 of Audit Report for the year 1998-99;**  
**Overpayment of Rs.163,816/-**

**7.4.2004** Audit had pointed out that LG&RD Department, Kasur reused less quantity of brick bats sub-base course instead of total available quantity.

The Department explained that the reply received from field formations was unconvincing and did not justify the less utilization of brickbats. Therefore, a fact-finding inquiry had been ordered to fix responsibility for the lapse.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings and fix responsibility within three months under intimation to the PAC.

**2.12.2004** Department explained that as a result of inquiry no excess payments were observed.

Audit verified the departmental contention and recommended the para for settlement.

The **para was accordingly settled.**

**16.            Para No.16 Page 18 of Audit Report for the year 1998-99;  
Overpayment of Rs.135,740/-**

**7.4.2004**        Audit had pointed out that the department had paid for excessive measurements resulting in overpayment of Rs.135,740/- to the contractor.

The Department explained that the draft para was based on two advance paras.

In case of advance para No.10 the variation on account of earth work and bricks soling was covered in the revised estimate sanctioned by the competent authority in accordance with the site conditions.

In case of advance para No.21, brick soling was executed in excess requiring revised technical sanction which was not available on record. However, the work was actually executed at site and the department requested for condonation of the irregularity.

The Committee conditionally settled the para subject to fulfillment of codal formalities and verification of record by Audit within three months.

**2.12.2004**        Department explained that the amount of the para as a result of record verification had been reduced to Rs.73,043/-and the same would be recovered and got verified by Audit.

The **para was settled subject to balance recovery and its verification by Audit.**

**17.            Para No.17 Pages 18 & 19 of Audit Report for the year 1998-99;  
Overpayment of Rs.131,601/-**

**6.4.2004** Audit had pointed out that LG&RD Department Vehari paid for extra work in excess of provision in the estimate without cross section and approval of lead. The item of brick soling was also paid at higher rates resulting in excess payment of Rs.131,601/-.

The Department explained that provision of extra work existed in the detailed estimate technically sanctioned by the competent authority. The extra provision remained within the Administratively Approved cost and the provision of 3 mile lead was also justified.

The Department further explained that payment of higher rates for laying of brick soling was justified because the brick soling were being provided as sub-base course and not as street pavement vide CSR-1979.

Audit stated that the facts and relevant record had been verified and recommended the para for settlement.

**The para was accordingly settled.**

**18.            Para No.18 Page 19 of Audit Report for the year 1998-99;  
Overpayment of Rs.129,059/-**

**7.4.2004** Audit had pointed out that the department made payment against un-executed work as per assessment report which resulted in overpayment of Rs.129,059/-.

The Department explained that the assessment report referred to by audit had been challenged by the original Sub-Engineer and assessment of the work done was again carried out by another Sub-Engineer which was authenticated by the Assistant Engineer Incharge. The Department further explained that requisite record was available for verification.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004** Audit stated that the relevant record had been verified and recommended the para for settlement.

**The para was accordingly settled.**

**19.            Para No.19 Pages 19 & 20 of Audit Report for the year 1998-99;  
Overpayment of Rs.128,863/-**

**6.4.2004** Audit had pointed out that the Department measured and paid for the items of

works providing/laying sub-base course, base course and triple surface treatment in excess of the quantities provided in the technically sanctioned estimate.

The Department explained that the scheme was a Sugar Cess Project. During execution of work a wide platform was constructed near village Kamay Shah for loading sugarcane on trollies. The payments were made as per actual work done according to site requirements and as per approved nature of work. As such, no excess payment was involved.

Audit desired that copy of final bill should be produced for verification.

The Committee settled the para subject to verification of record by Audit.

**2.12.2004** Audit explained that the relevant record produced by the Department had been verified and recommended the para for settlement.

**The para was accordingly settled.**

**20. Para No.20 Pages 20 & 21 of Audit Report for the year 1998-99;  
Overpayment of Rs.127,436/-**

**7.4.2004** Audit had pointed out that payment for excessive measurements resulted in overpayment.

The Department explained that the variation in the quantities was mostly within the estimated cost and the payment was made within the sanctioned limits. As such no overpayment was involved in the case.

The Committee directed the Department to observe all the codal formalities strictly in future.

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

**21. Para No.21 Page 21 of Audit Report for the year 1998-99;  
Overpayment of Rs.126,649/-**

**7.4.2004** Audit had pointed out that LG&RD Department, Kasur made payments for excessive measurements resulting in overpayment.

The Department explained that the reply received from field formations was not convincing and a fact-finding inquiry had been ordered to fix responsibility for the alleged

overpayment.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** Department explained that as per findings of the inquiry it had been concluded that Audit had misconceived the calculation. The overall measurements as per work done had been recorded in the final bill.

Audit verified the contention of the Department and recommended the para for settlement.

The para was accordingly settled.

**22. Para No.22 Page 22 of Audit Report for the year 1998-99;  
Overpayment of Rs.108,389/-.**

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**6.4.2004** Audit had pointed out the LG&RD Department Vehari paid for earth work in excess of length of embankment as provided in the sanctioned estimate.

The Department explained that the work was allotted for Rs.3.00 lac but the contract was enhanced upto Rs.6.00 lac in the revised Admn Approval/Technical Sanction accorded by the Competent Authority on receipt of additional funds from the Government. The provision of 100 feet lead also existed in the revised estimate.

Audit explained that the facts had been verified and recommended the para for settlement.

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

**23. Para No.23 Pages 22 & 23 of Audit Report for the year 1998-99;  
Overpayment of Rs.107,885/-**

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**7.4.2004** Audit had pointed out that LG&RD Department, Sheikhupura failed to deduct the quantity of earthwork of existing bank of canal from earthwork paid to the Contractor.

The Department explained that the earthwork and soling was constructed on the bank of distributory, which was a channel in cutting, and the bank was just at the level of adjoining field. The Audit observation was not based on facts and the Department made payment after scrutiny by the Local Fund Audit.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004** Audit stated that the relevant record produced by the Department had been verified and contention of the department was accepted.

The **para was accordingly settled.**

**24. Para No.24 Pages 23 & 24 of Audit Report for the year 1998-99; Overpayment of Rs.106,535/-**

**7.4.2004** Audit had pointed out that LG&RD Department Khanewal sanctioned and paid for higher rates than those provided in the estimate, which resulted in overpayment.

The Department explained that the reply received from field formations was not convincing and a fact-finding inquiry had been ordered to fix responsibility for the alleged overpayment.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** Department explained that the inquiry report had been received and accordingly the disciplinary proceedings had been started. The same would be finalized in due course.

The **para was kept pending** with the direction that disciplinary proceeding be finalized at the earliest.

**25. Para No.25 Page 24 of Audit Report for the year 1998-99; Overpayment of Rs.99,284/-**

**7.4.2004** Audit had pointed out that excessive measurements had resulted in overpayment of Rs.99,284/-.

The Department explained that the payment was made in accordance with the revised technically sanctioned estimate, which envisaged an enhancement within the permissible limit. The enhancement in the work was made in the public interest and no excess payment was involved.

Audit contended that the Department should produce the revised estimate and the

relevant record for verification.

The Committee conditionally settled the para subject to reconciliation of the record with and verification thereof by Audit at the earliest.

**2.12.2004** Department explained that enhancement in the work was made in the public interest and no excess payment was made.

The Finance Department observed that irregularity had been committed, as the work done was in excess of the T.S estimate.

The **para was kept pending** with the direction to recover the excess amount from the responsible.

**26.            Para No.26 Pages 24 & 25 of Audit Report for the year 1998-99;  
Overpayment of Rs.89,917/-**

**7.4.2004** Audit pointed out that as a result of verification of record, the amount of Draft Para had been reduced from Rs.89,917/- to Rs.5,404/-.

The Department assured the Committee that the balance amount would be recovered and deposited into Government Treasury as soon as possible.

The Committee settled the para subject to recovery and verification of record by Audit.

**2.12.2004** Department stated that the amount of para after verification of record was reduced to Rs.5,404/- and the same had been recovered and deposited into Government treasury.

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

**27.            Para No.27 Page 25 of Audit Report for the year 1998-99;  
Overpayment of Rs.86,918/-**

**7.4.2004** Audit had pointed out fictitious measurement of earth work in a length of 2150 feet resulting in overpayment of Rs.86,918/-.

The Department explained that the relevant measurement book was not produced by the field formations and therefore, a fact finding inquiry had been ordered to probe into the matter and fix responsibility, if required.



The Committee kept the para pending with the direction that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** The Department explained that on the basis of recommendation contained in the inquiry report, the department had decided to initiate proceeding against the responsible under the Punjab Removal from Service (Special Powers) Ordinance 2000.

The **para was kept pending** with the direction to take the proposed action at the earliest.

**28. Para No.28 Page 26 of Audit Report for the year 1998-99;  
Overpayment of Rs.85,465/-.**

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**6.4.2004** The Department explained that the alleged excess paymen had been wrongly worked out by Audit on incorrect presumptions. The Department further explained that 1:1 slope was provided in the estimate and it was paid with slight variations due to available width of existing road.

Audit stated that the contention of the Department had been verified in the light of record produced by the Department.

On the recommendation of audit, the **Committee settled the para.**

**29. Para No.29 Pages 26 & 27 of Audit Report for the year 1998-99;  
Overpayment of Rs.81,676/-**

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**7.4.2004** Audit had pointed out fictitious measurement of earth work resulting in overpayment of Rs.81,676/-.

The Department explained that the relevant measurement book was not produced by the field formations and therefore, a fact finding inquiry had been ordered to probe into the matter and fix responsibility, if required.

The Committee kept the para pending with the direction that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** The Department explained that on the basis of recommendation contained in the inquiry report, the department had decided to initiate proceeding against the responsible under the Punjab Removal from Service (Special Powers) Ordinance 2000.

The **para was kept pending** with the direction to take the proposed action at the earliest.

**30. Para No.30 Page 27 of Audit Report for the year 1998-99;  
Overpayment of Rs.80,039/-**

**7.4.2004** Audit had pointed out that LG&RD Department, Chakwal measured and paid excessive length of earthwork and sub base course for construction of road as compared to other items of road construction.

The Department explained that project executed was technically viable in the semi hilly area of Chakwal and the variation between the quantities provided in the sanctioned estimate and work actually executed was not more than 5% of the sanctioned cost which was within the permissible limit.

The Committee accepted the explanation of the department and **settled the para.**

**31. Para No.31 Page 28 of Audit Report for the year 1998-99;  
Overpayment of Rs.79,823/-**

**7.4.2004** Audit had pointed out that the Department measured and paid for the items of earth filling and brick pavement for length of 4018 rft instead of 3000 rft provided in the technically sanctioned estimate.

The Department explained that the variation required revised administrative approval, which was obtained and all the payments were made after pre-audit scrutiny. The irregularity was not even pointed out by the representative of Finance Department. However, a fact-finding inquiry had been ordered in the matter.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** The Department explained that on the basis of recommendation contained in the inquiry report, the department had decided to initiate proceeding against the responsible under the Punjab Removal from Service (Special Powers) Ordinance 2000.

The **para was kept pending** with the direction to take the proposed action at the earliest.

**32. Para No.32 Pages 28 & 29 of Audit Report for the year 1998-99;**

### **Overpayment of Rs.76,670/-**

**7.4.2004** Audit had pointed out that the Department paid for the item of earthwork for making enhancement on berms in excess of the thickness of the base course.

The Department explained that the audit observation was not based on ground realities. The detailed estimate clearly indicated that the dimensions of the berms were not fully intact due to erosion and rain cut etc. and required restoration, which included widening and raising as per provisions of the estimate.

Audit verified the departmental contention.

The **Committee settled the para accordingly.**

### **33. Para No.33 Page 29 of Audit Report for the year 1998-99; Overpayment of Rs.76,615/-**

**7.4.2004** Audit had pointed out that non-deduction of road crust from earth work measurement resulted in overpayment to the contractor.

The Department explained that the field formations had failed to recover the amount after admitting the lapse and a fact-finding inquiry had been ordered to fix responsibility and make good the loss.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** Department explained that the inquiry report has been received. The recovery amounting to Rs.23,656/- had been effected and efforts were being made for balance recovery.

The **para was kept pending** with the direction to effect balance recovery and get the requisite record verified by Audit.

### **34. Para No.34 Page 30 of Audit Report for the year 1998-99; Overpayment of Rs.72,658/-**

**7.4.2004** Audit had pointed out that the Department paid for an item of earthwork embankment complete in all respect against the estimated provision. The original contractor left the work incomplete and already executed item was measured and paid to the second contractor.

The Department explained that necessary details and supporting documents had

not been received from the field formations. However, it had decided to hold a fact-finding inquiry and fix responsibility for the irregularity.

The Committee directed the Department to finalize the inquiry proceedings and fix responsibility within three months under intimation to the PAC.

The para was kept pending.

**2.12.2004** The Department explained that on the basis of recommendation contained in the inquiry report, the department had decided to initiate proceeding against the responsible under the Punjab Removal from Service (Special Powers) Ordinance 2000.

The **para was kept pending** with the direction to take the proposed action at the earliest.

**35. Para No.35 Pages 30 & 31 of Audit Report for the year 1998-99; Overpayment of Rs.69,156/-.**

**6.4.2004** Audit had pointed out that LG&RD Department Sahiwal adopted excess lead of 26 miles as compared to actual lead resulting in overpayment of Rs.69,156/-

The Department explained that in the light of reports of the Highways and Revenue Department in the matter no overpayment was involved.

Audit also verified the contention of the Department and recommended the para for settlement.

The **para was accordingly settled.**

**36. Para No.36 Page 31 of Audit Report for the year 1998-99; Overpayment of Rs.68,571/-**

**7.4.2004** Audit had pointed out that unjustified measurement had resulted in overpayment of Rs.68,571/-.

The Department explained that the reply of field formation was unconvincing and necessary details and supporting documents had not been received from them. It was decided to hold a fact-finding inquiry and fix responsibility for the irregularity.

The Committee directed the Department to finalize the inquiry proceedings and fix

responsibility within three months under intimation to the PAC.

The para was kept pending.

**2.12.2004** Department explained that the para consisted of two advance paras i.e. AP No.18 & No.27.

As a result of findings of the inquiry respecting AP No.18, the disciplinary proceedings had been initiated against the responsible, so far as findings of the inquiry respecting AP No.27. The Inquiry Officer recommended the para for settlement.

The **Committee kept the para pending** with the direction to finalize the case at the earliest.

**37.            Para No.37 Page 32 of Audit Report for the year 1998-99;  
Overpayment of Rs.63,445/-**

**7.4.2004** Audit had pointed out that the department failed to deduct the quantity of earth work on account of 2% camber and 4% slope for the measured and paid quantity of earth work for making embankment.

The Department explained that earthwork measurements were taken at the edge of formation for the purpose of embankment height. Therefore, deduction on account of 2% camber and 4% side slope were not required.

The Committee accepted the explanation of the Department and settled the para subject to verification of record by Audit within three months.

**2.12.2004** Department explained that accordingly the relevant record had been got verified by the Audit.

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

**38.            Para No.38 Page 27 of Audit Report for the year 1998-99;  
Overpayment of Rs.62,324/-**

**7.4.2004** Audit had pointed out payment for different items of work in excess of the provisions of technically sanctioned estimate.

The Department explained that the average thickness of carpeting did not exceed

thickness provided in the sanctioned estimate and the payments were made on the basis of actual measurements of patches taken at site and the variation was covered in the revised technical sanction by the competent authority.

The Committee directed the department to strictly observe all the codal formalities in respect of technical sanction by the competent authority.

With the above direction, the Committee settled the para subject to verification of record by Audit.

**2.12.2004** Department explained that accordingly the relevant record had been got verified by the Audit.

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

**39.            Para No.39 Page 33 of Audit Report for the year 1998-99;  
Overpayment of Rs.60,960/-**

**7.4.2004**        Audit had pointed out payment for the item of work in excess of the provision in the revised estimate resulting in overpayment.

The Department explained that during the execution of the project it was felt that width of the road was required to be increased at the horizontal curves and approaches to the culverts. These extra items were unavoidable and were covered in the second revised technical sanction by the competent authority.

The Committee settled the para subject to verification of record by Audit at the earliest.

**2.12.2004**        Department explained that accordingly the relevant record had been got verified by the Audit.

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

**40.            Para No.40 Page 34 of Audit Report for the year 1998-99;  
Overpayment of Rs.58,885/-**

**7.4.2004**        Audit had pointed out that LG&RD Department, Mandi Baha-ud-Din paid the items of work at higher rates than admissible as per agreement.

The Department explained that the rates mentioned in the bid and agreement/work order were only in terms of percentage of premium applicable on the technically sanctioned estimate. The rates mentioned in the rough cost estimate were tentative and unauthentic and as such no overpayment was involved.

The Committee settled the para subject to reconciliation of the expenditure and its verification by Audit.

**2.12.2004** Department explained that accordingly the relevant record had been got verified by the Audit.

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

**41. Para No.41 Page 34 & 35 of Audit Report for the year 1998-99;  
Overpayment of Rs.53,548/-**

**7.4.2004** Audit had pointed out non-deduction of quantity of earth work of camber and cross slopes resulting in overpayment of Rs.53,548/-.

The Department explained that earthwork measurements were taken at the edge of the formation for the purpose of embankment height. Therefore, deduction on account of 2% camber and 4% side slope were not required.

The Committee accepted the explanation of the department and **settled the para.**

**42. Para No.42 Pages 35 & 36 of Audit Report for the year 1998-99;  
Overpayment of Rs.52,910/-**

**7.4.2004** Audit had pointed out payment for excess measurement of earthwork and sub-base course resulting in overpayment

The Department explained that a length of 6000 rft long existing brick soled road was provided in the original sanctioned estimate. However, the actual length turned out to be 5631 rft. After overlying layer of earth from the existing brick soled road at the time of execution, extra sub-base in length of 369 rft. had to be provided. In case of 500 rft. long portion of the road, a length of 216 rft. brick soling was executed and a length of 286 rft. was left unpaved.

The Committee settled the para subject to verification of record by Audit within three months.



**2.12.2004** The Department explained that the recovery was being effected.

The Committee directed to expedite the recovery and the **para was kept pending.**

**43. Para No.43 Page 36 of Audit Report for the year 1998-99;  
Overpayment of Rs.52,750/-.**

**6.4.2004** The Department explained that the Draft Para consisted of two Advance Paras. Regarding Advance Para 37, it was explained that in case of execution of 1000 E/work and 876 ft. soling, the amount of bill came to Rs.120,000/- against which Rs.100,000/- was paid to the contractor. Therefore, no overpayment was involved. As for Advance Para 39, it was stated that in case of Metalled Road, quantities were executed in accordance with the sanctioned provision of estimate. However, the excess quantity of earth work and sub-base pointed out by Audit, could not be completed due to lapse of funds. The balance work was accomplished by Zila Council, Vehari. As such no excess payment was involved.

Audit verified the requisite record and supported the departmental contention.

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

**44. Para No.44 Pages 36 & 37 of Audit Report for the year 1998-99;  
Overpayment of Rs.41,846/-**

**7.4.2004** Audit had pointed out payment for excessive measurement of height of the section of embankment resulting in overpayment.

The Department explained that the width of earthwork was measured as per actual work done at site. Earthwork measured in less width at bottom was due to non-availability of requisite width of land, which did not affect the height of embankment because of steeper side slopes maintained.

The Department further explained that the payment to the Contractor was made after pre-audit scrutiny by local fund audit. No over payment was involved.

The Committee accepted the explanation of the department and **settled the para.**

**45. Para No.45 Pages 37 & 38 of Audit Report for the year 1998-99;  
Loss of Rs.3,900,000/-**

**7.4.2004** Audit had pointed out non-execution of road items resulting in loss to the

government.

The Department explained the remaining funds were not released to the Department due to dissolution of Assemblies and later the role of LG&RD Department as executing agency was also abolished for development works during 1997. However, it had been decided to hold a fact-finding inquiry to find out the reasons for failure of the field formations to hand over the incomplete schemes to the concerned agencies.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings within three months.

**2.12.2004** The Department explained that payments were made to the contractor according to approved schemes out of available funds. All the projects were Federal Government funded, and the funds were not released on political ground. The scheme became un-funded as no funds were released by the Federal Government as well as by the Provincial Government, therefore, there was no lapse on the part of Administrative Department.

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

**46. Para No.46 Page 38 of Audit Report for the year 1998-99; Loss of Rs.623,659/-**

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**7.4.2004** Audit had pointed expenditure on the incomplete work resulting in loss to Government.

The Department explained that the reply of field formations was not supported by documentary evidences and, therefore, a fact finding inquiry had been ordered in the matter to fix the responsibility for the lapse, if required.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** The Department stated that as per findings of the inquiry, it had been concluded that non-availability of funds also affected the progress of work. The inquiry officer had, however, agreed with the audit observation that lying of base course without brick edging was a lapse on the part of technical staff. Therefore, the concerned technical staff was being proceeded under Punjab Removal from Service Ordinance 2000.

The **para was kept pending** for holding regular inquiry.

**47. Para No.47 Page 39 of Audit Report for the year 1998-99; Wasteful**

**expenditure of Rs.345,078/-**

**7.4.2004** Audit had pointed out that LG&RD Department, Sialkot allotted a work without technical sanction and failed to complete the work in time resulting in wastage of public money.

The Department explained that the reply of field formations was not supported by documentary evidences and a fact finding inquiry had been ordered in the matter to fix responsibility for the lapse, if required.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** The Department explained that as per findings of the inquiry, the scheme could not be completed due to lapse of funds in June 1996, the TS estimate was available on the record and could be verified by Audit. The para was recommended for settlement.

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

**48. Para No.48 Pages 39 & 40 of Audit Report for the year 1998-99; Loss of Rs.186,273/-**

**7.4.2004** Audit had pointed out that the Department made payment of Rs.186,273/- on account of earth work and supply of different materials for construction of road and the contractor left the work incomplete after receiving the payment which resulted in loss to the Government.

The Department explained that Rs.66,757/- had been deducted from the security of the contractor and in respect of incomplete work the Department had ordered a fact finding inquiry to fix responsibility, if necessary.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings and submit its report to the PAC within three months.

**2.12.2004** The Department explained that as per findings of the fact finding inquiry, the amount was partially adjusted in the 2<sup>nd</sup> Running Bill and the remaining amount had been recovered. Since no recovery was due, the para may be settled.

The Committee was not satisfied with the explanation of the Department and directed the Audit to examine the inquiry report and submit comments.

The para was kept pending.

**49.            Para No.49 Page 40 of Audit Report for the year 1998-99; Loss of  
Rs.53,200/-**

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**7.4.2004**        Audit had pointed out unjustified increase in the rates of KSB pump resulting in loss of Rs.53,200/- to the Government.

The Department explained that the cost of KSB pump provided to the Department was tentative and unauthentic. The Superintending Engineer was competent to sanction NS rates according to the prevailing market price and the audit observation was not based on facts.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004**        Audit stated that the department did not produce any documentary evidence on the basis of which the cost of KSB pumps were increased from Rs.70,000/- to Rs.123,200/-.

Department explained that the cost of KSB pumps was tentative and unauthentic and were increased accordingly.

The Committee was not satisfied with the explanation of the Department and **kept the para pending** with the direction to produce factory price of KSB pumps to Audit justifying the increase from Rs.70,000/- to Rs.123,200/-.

**50.            Para No.50 Page 41 of Audit Report for the year 1998-99; Irregular  
payment of Rs.9,285,746/-**

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**7.4.2004**        Audit had pointed out withdrawal of amounts without proper sanction and non-submission of vouched accounts resulting in irregular payment.

The Department explained that an amount of Rs.5,192,764/- was transferred to nine Project Managers of District Vehari for implementation of development schemes through Project Committees as per policy of the Government and an amount of Rs.1,670,561/- was released to the Union Councils of District Vehari through the concerned Project Managers. An amount of Rs.1,872,659/- was released to WAPDA for provision of electricity in the villages.

The Department further explained that there were a few minor transactions as well in the name of AD Social Welfare and DG Local Government. The vouched accounts of all these transactions were available for verification.

The Committee settled the para subject to verification of record by Audit.  
**2.12.2004** Audit stated that vouched accounts showing Government to Government transaction had been verified and recommended the para for settlement.

The para was accordingly settled.

**51. Para No.51 Pages 41 & 42 of Audit Report for the year 1998-99; Irregular expenditure of Rs.957,692/-**

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**7.4.2004** Audit had pointed out unauthorized change in approved scheme in contravention of the orders of Finance Department.

The Department explained that the rough cost estimate prepared at initial stage did not contain adequate provisions for protection of the road crust and embankment for the road passing through Pattoki Town but the revised Admn approval should have been obtained for the purpose.

The Department further explained that it was not a case of excess/over payment and changes were incorporated in the public interest. However, revised administrative approval was not obtained and, therefore, a case would be moved to the Finance Department for condonation of the irregularity.

The Committee conditionally settled the para subject to regularization of the expenditure by the Finance Department.

**2.12.2004** The Administrative Department explained that the case for regularization had been referred to Finance Department and decision was still awaited.

The previous direction of the PAC dated 5.7.2004 was reiterated.

**52. Para No.52 Pages 42 & 43 of Audit Report for the year 1998-99; Un-authorised payment of Rs.800,000/-**

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**7.4.2004** Audit had pointed out transfer of funds without proper sanction and non-submission of vouched accounts resulting in unauthorized payment.

The Department explained that an amount of Rs.700,000/- was transferred to the Union Councils as their share of local rate received from District Council, Bahawalnagar and an amount of Rs.50,000/- was transferred to the local office of PHED for execution of sewerage scheme. However, the amount could not be collected by PHED timely and a new cheque was again issued from similar account hence the net transfer of funds to PHED was Rs.50,000/- instead of Rs.100,000/- which was wrongly pointed out by Audit.

The Committee settled the para subject to verification of record by Audit within 3 months.

**2.12.2004** Audit pointed out that the Department had failed to produce relevant record, rules and authority.

Department explained that some record had been produced to Audit for verification.

The Committee directed to produce the remaining record and the **para was settled subject to verification of record by Audit.**

**53. Para No.53 Pages 43 & 44 of Audit Report for the year 1998-99; Irregular supply of Furniture amounting to Rs.660,732/-.**

**6.4.2004** The Department explained that estimate amounting to Rs.7.00 lac was prepared before inviting tenders. The delay in approval of estimate occurred because there was only one Superintending Engineer in the LG&RD Department at Provincial Headquarters. However, technical sanction and approval of non-schedule rates was obtained from the competent authority before the issue of work order. The Department requested for settlement of the para.

Audit explained that facts had been verified and recommended the para for settlement.

The Committee accordingly settled the para.

**54. Para No.54 Page 44 of Audit Report for the year 1998-99; Loss of Rs.635,656/-**

**7.4.2004** Audit had pointed out non-deposit of security in the scheduled bank resulting in loss to Government.

The Department explained that field formations did not produce documentary evidence in support of their contention and a fact finding inquiry had been ordered to probe into



the matter and fix responsibility for the loss.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceeding with in three months under intimation to the PAC.

**2.12.2004** Department explained that Inquiry Officer had endorsed the Audit contention. Resultantly the disciplinary proceeding had been initiated.

The **para was kept pending** with the direction to finalize the disciplinary proceedings and take action against the responsible.

**55.            Para No.55 Pages 44 & 45 of Audit Report for the year 1998-99;  
Unauthorised payment of Rs.550,000/-**

**7.4.2004**        Audit had pointed out non-submission of vouched accounts resulting in unauthorized payment.

The Department explained that the amount of Rs.150,000/- was utilized on account of carriage charges of bitumen and the remaining amount of Rs.400,000/- could not be utilized and was credited into banks. Bank statements showing credit were available for verification.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004**        Department stated that the relevant record had been produced to Audit for verification.

Audit verified the departmental contention and recommended the para for settlement.

The **para was accordingly settled.**

**56.            Para No.56 Pages 45 & 46 of Audit Report for the year 1998-99;  
Irregular payment of Rs.387,076/-**

**7.4.2004**        Audit had pointed out irregular allotment of works and expenditure without technically sanctioned estimates.

The Department explained that the field formations were not authorized to incur



expenditure which was not approved and technically sanctioned and a fact finding inquiry had been ordered to probe into the matter and fix responsibility for the lapse.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** Department explained that as a result of inquiry proceedings it had been established that tenders were floated and work order was placed before completion of essential formalities such as administrative approval and technical sanction estimate. It was added that necessary action against the responsible was to be taken in the light of inquiry report.

The Committee directed the Department to complete necessary action against the responsible at the earliest and the **para was kept pending**.

**57. Para No.57 Page 46 of Audit Report for the year 1998-99; Irregular expenditure of Rs.379,325/-**

**7.4.2004** Audit had pointed out unauthorized reduction/change in scope of work in contravention of orders of the Finance Department

The Department explained that the rough cost estimate prepared at initial stage did not contain adequate provisions for protection of the road crust passing through Khuddian Town and accordingly the authority made provision for construction of side drain along the portion of the road inside the city area.

The Department further explained that it was not a case excess/over-payment and changes were incorporated in the public interest. However, revised administrative approval was not obtained and, therefore, a case would be moved to the Finance Department for condonation of irregularity.

The Committee settled the para subject to regularization of the expenditure by the competent authority.

**2.12.2004** Department explained that the case had been referred to Finance Department for regularization and decision was still awaited.

The **para was settled subject to regularization**.

**58. Para No.58 Page 47 of Audit Report for the year 1998-99; Deviation from the approved design causing loss of Rs.299,727/-**

**7.4.2004** Audit had pointed out that execution of work less than the approved design resulted in loss to the Government.

The Department explained that the project was located in the backward town of Khuddian with low traffic intensity and accordingly the Engineer Incharge accepted 5 inch thick sub base as adequate provision underneath 4 inch: base course and 1½” bituminous carpeting.

The Department further explained that the no loss has been caused to the Government in the subject case.

The Committee accepted the explanation of the department and **settled the para.**

**59. Para No.59 Pages 47 & 48 of Audit Report for the year 1998-99; Wasteful expenditure of Rs.196,654/-**

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**7.4.2004** Audit had pointed out that LG&RD, Bahawalnagar allotted a work without Administrative approval and technical sanction by the competent authority and failed in its timely completion. Subsequently funds were frozen after June. Irregular allotment and subsequent abandonment of the work resulted in wasteful expenditure.

The Department explained that the reply of field formation was unconvincing as there was no justification to undertake the project without Admn approval and therefore, a fact finding inquiry had been ordered to find out the facts and fix responsibility.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings and submit a report to the PAC within three months.

**2.12.2004** Department explained that as a result of inquiry proceedings it had been established that tenders were floated and work order was placed before completion of essential formalities such as administrative approval and technical sanction estimate. It was added that necessary action against the responsible was to be taken in the light of inquiry report.

The Committee directed the Department to complete necessary action against the responsible at the earliest and the **para was kept pending.**

**60. Para No.60 Page 48 of Audit Report for the year 1998-99; Deviation from the approved design causing loss of Rs.191,884/-**

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**7.4.2004** Audit had pointed out execution of work on much lesser side than tolerance limit resulting in loss to the Government.

The Department explained that no loss had been caused to Government in all the four components involved in the subject para. All the payments were made according to the site requirements after fulfilling the all the codal formalities.

The Committee accepted the explanation of the department and **settled the para.**

**61.            Para No.61 Page 49 of Audit Report for the year 1998-99; Deviation from the approved design causing loss of Rs.173,306/-**

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**7.4.2004**        Audit had pointed out that LG&RD Department, Sheikhpura measured and paid the thickness of base course and carpeting less than the design.

The Department explained that the audit observation was not based on facts. The project was executed with the maximum caution at the time of measurement and the Engineer Incharge reduced the thickness of base course and carpeting keeping in view low traffic intensity inside the street of residential area. The average thickness of base course was very close to tolerance limit. However, it had ordered a fact-finding inquiry to find out the facts of the case and fix responsibility, if required.

The Committee kept the para pending with the directions that the department should finalize the proceedings and submit the report to the PAC within three months.

**2.12.2004**        The Department explained that inquiry had been completed and the inquiry officer had recommended the para for settlement.

The **Committee kept the para pending** with the direction to get recover Rs.173,306/-, verified the record by Audit or effect the recovery.

**62.            Para No.62 Pages 49 & 50 of Audit Report for the year 1998-99; Loss of Rs.112,747/- due to acceptance of higher rates.**

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**7.4.2004**        The Department explained that the lowest offer for the project was 0.047% less than the estimate calculated by the Department and there was no overpayment involved.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004**        The Department explained that it was a matter of reconciliation of record and the same would be done at the earliest of time.

The **para was kept pending** for reconciliation of record and its verification by Audit.

**63.            Para No.63 Page 50 of Audit Report for the year 1998-99; Un-  
authorised payment of Rs.110,600/- without vouched account**

**7.4.2004**        The Department explained that an amount of 110,600/- was transferred to the Project Manager LG&RD Markaz Gujrat for UNICEF programme and the vouched account was sent to Director General LG&RD Office and later the vouched account was submitted to UNICEF staff and the transaction did not fall under Provincial Consolidated Fund.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004**      Administrative Secretary explained that original vouched account had been sent to D.G, LG&RD office because that office was coordinating with UNICEF for adjustment of accounts. As a matter of policy, such vouched account should have been submitted to UNICEF staff.

Finance Department pointed out that it was a matter of diversion of money and the transaction did not fall under Provincial Consolidated Funds, the issue was not in the purview of the DG Audit.

Administrative Secretary further explained that under the rule the department was not obliged to maintain old record of more than four years.

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

**64.            Para No.64 Page 51 of Audit Report for the year 1998-99; Deviation  
from the approved design causing loss of Rs.110,533/-**

**7.4.2004**        The Department explained that the reply of field formation was not satisfactory and a fact-finding inquiry had been ordered to probe into the matter and fix responsibility, if required.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** Department explained that as per findings of the inquiry, the final measurements of the work done at site were recorded against in the M.B No.8596 and the record entries made in the M.B No.4140 remained un-paid. It was further explained that the average thickness of base course comes to 3.56 inches instead of 3.00 inches and the thickness of sub base and base after compaction becomes 9.56 inches instead of 10 inches which was within the tolerance limits. Moreover, the said road was a link road with low traffic intensity and as such reduced thickness was measured and paid.

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

**65.            Para No.65 Pages 51 & 52 of Audit Report for the year 1998-99;  
Irregular payment of Rs.110,420/-**

**7.4.2004** Audit had pointed out that the department made payments without proper sanction and did not submit vouched accounts, which resulted in irregular payment-.

The Department explained that the proper sanction of competent authority could not be obtained to avoid delay in timely completion of the project. However, vouched accounts of the expenditure were available for verification.

The Committee directed that the department should get the requisite record verified by audit at the earliest.

The para was kept pending.

**2.12.2004** Department explained that vouched account of the expenditure had been produced to Audit for verification. Moreover, Finance Department had also been requested to regularize the matter of transfer of funds to the Sub-Engineer.

**The para was settled subject to regularization of issue of transfer fund by the Finance Department.**

**66.            Para No.66 Page 52 of Audit Report for the year 1998-99; Loss of  
Rs.76,694/- due to irregular allotment of work and irregular payment of  
Rs.490,536/-**

**6.4.2004** The Department explained that the work was allotted to the 2<sup>nd</sup> lowest bidder after forfeiture of earnest money of the lowest bidder and the work was awarded on reasonably competitive rates.

Audit verified the contention of the Department and recommended the para for settlement.

The para was accordingly settled.

**67. Para No.67 Page 53 of Audit Report for the year 1998-99; Loss of Rs.75,343/-**

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**6.4.2004** Audit had pointed out that LG&RD Department Vehari awarded the work to the 2<sup>nd</sup> lowest bidder without approval of Chief Engineer/DG as per provisions of the Financial Rules 1990.

The Department explained that tenders for the scheme were invited on 8.3.1992 and work order was issued on 15.6.1992 but the lowest bidder refused to take order as time lapsed was more than validity period of 60 days. In view of the situation, 2<sup>nd</sup> lowest bidder was offered to carry out the work who accepted the offer and work was later enhanced due to more allocation of funds. The Department further contented that Audit had wrongly compared the rates with the lowest bidder. As such no loss had occurred.

Audit also verified the departmental contention and recommended the para for settlement.

On recommendations of Audit, the para was settled.

**68. Para No.68 Pages 53 & 54 of Audit Report for the year 1998-99; Irregular payment of Rs.60,000/-**

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**7.4.2004** Audit had pointed out transfer of funds without proper sanction resulting in irregular payment.

The Department explained that the scheme was completed with the expenditure of Rs.1.23 lac against the estimated cost of Rs.2 lac. For utilization of the saving of the scheme the D.G Local Government Punjab sanctioned expenditure of Rs.70,000/- for electrification of basti DC wala Tehsil Khanpur. Therefore, no irregular payment was involved.

The Committee directed the Department to strictly observe all the codal formalities for execution of work in future.

With the above directions, the para was settled.



**69.            Para No.69 Pages 54 & 55 of Audit Report for the year 1998-99;  
Wastage of government money to the tune of Rs.12.89 million.**

**7.4.2004**        Audit had pointed out construction of Community Centres on private lands resulting in wastage of Government money.

The Department explained that the field formations had recovered an amount of Rs.24.29 lacs and Deputy District Officer (Rev) was following up the matter as per policy of the Government. It was further stated that the matter was also under investigation with the NAB.

The Committee directed the Department to effect recovery of the balance amount at the earliest as arrears of land revenue.

The para was kept pending.

**2.12.2004**        The Department requested that since the para was under investigation with the NAB, same may be kept pending.

The para was accordingly kept pending.

**70.            Para No.70 Page 55 of Audit Report for the year 1998-99; Wastage  
of government money Rs.9.275 million**

**7.4.2004**        Audit had pointed out non-utilization of Community Centres for the intended purpose resulting in wastage of Government money.

The Department explained that mutation of land in favour of Government had been arranged in case of five Community Centres. The other two Community Centres were sponsored by minority MPAs and were in public use.

The Committee conditionally settled the para subject to verification of record by Audit within three months.

**2.12.2004**        The Department explained that since the para was under investigation in the NAB, the same may be pended.

The para was accordingly pended.

**71.            Para No.71 Page 56 of Audit Report for the year 1998-99; Loss of**



**Rs.3,451,913/-**

**7.4.2004** Audit had pointed out construction of Community Centres on private land and failure to transfer /hand over those to the concerned Departments resulting in loss to the Government.

The Department explained that an amount of Rs.18.79 lac had been recovered and Deputy District Officer (Rev) was following up the matter as per policy of the Government for recovery of balance amount. It was further pointed out that the matter was also under investigation with the NAB.

The Committee kept the para pending for recovery of the balance amount.

**2.12.2004** The Department explained that since the issue involved in the para was under investigation with NAB, the same may be pended.

The **para was accordingly pended.**

**72.            Para No.72 Pages 56 & 57 of Audit Report for the year 1998-99;  
Irregular transfer of contingencies funds worth Rs.2,545,000/-**

**7.4.2004** The Department explained that an amount of Rs.8.45 lac was transferred to the Director LG&RD, DG Khan and vouched accounts were available in the office of Incharge Special Cell DG Khan. The remaining amount of Rs.17 lac was transferred to the Assistant Director LG DG Khan for completion of certain projects as loan under the direction of Director General Local Government Punjab. However, the competent authority had ordered a fact-finding inquiry to find out the complete facts of the case.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings within three months under intimation to the PAC.

**2.12.2004** The Department explained that the inquiry proceedings had been finalized and the para had been recommended for settlement. However, the same may be referred to four members Committee already constituted to scrutinize the draft paras relating to development contingency funds.

**Para was kept pending** with the direction that the issue may be decided by the DG, LG & RD and if not within his competency be got regularized by the competent authority.

**73.            Para No.73 Pages 57 & 58 of Audit Report for the year 1998-99;**

**Loss of Rs.2,475,855/-**

**7.4.2004** The Department explained that an amount of Rs.1,840,079/- had been recovered against the total cost and efforts were being made for the recovery of balance amount.

The Committee kept the para pending for recovery of the balance amount.

**2.12.2004** The Department explained that since the issue involved in the para was under investigation with NAB. The same may be pended.

**The para was accordingly kept pending.**

**74. Para No.74 Pages 58 & 59 of Audit Report for the year 1998-99;  
Unjustified and irregular payment of Rs.2,475,772/-**

**7.4.2004** Audit had pointed out irregular transfer of funds against the rules resulting in irregular payment.

The Department explained that the amount had been transferred to the Director LG&RD, Multan for utilization as per policy and vouched accounts of these transactions were available in the offices of Incharge Special Cell at District level and Director General Local Government.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004** The Department explained that the inquiry proceedings had been finalized and the para had been recommended for settlement. However, the same may be referred to four members Committee already constituted to scrutiny the draft paras relating to development contingency funds.

**Para was kept pending** with the direction that the issue may be decided by the DG, LG & RD and if not within his competency be got regularized by the competent authority.

**75. Para No.75 Page 59 of Audit Report for the year 1998-99; Wastage  
of government money Rs.2,408 million.**

**7.4.2004** Audit had pointed out non-utilization of 12 Community Centres for public welfare resulting in wastage of Government money.

The Department explained that an amount of Rs.24.29 lac had been recovered and efforts were being made for recovery of balance amount through the Deputy District Officer (Revenue).

The Committee kept the para pending for recovery of the balance amount at the earliest and verification of record by audit.

**2.12.2004** The Department explained that since the issue involved in the para was under investigation with NAB, the same may be kept pending.

**The para was accordingly kept pending.**

**76. Para No.76 Page 60 of Audit Report for the year 1998-99; Un-  
authorised payment of Rs.1,331,700/- on account of contingency without  
vouched account.**

**7.4.2004** The Department explained that the amount had been transferred to Director LG&RD Bahawalpur for utilization as per policy of the Government and the vouched accounts of the transactions were available in the offices of Incharge Special Cell at District level.

The Committee settled the para subject to verification of record by Audit with in three months.

**2.12.2004** The Department proposed that the para may be referred to the four member Committee constituted to scrutinize the development contingency fund.

The **para was kept pending** with the direction that the issue may be decided by the DG, LG & RD and if not within his competency be got regularized by the competent authority.

**77. Para No.77 Pages 60 & 61 of Audit Report for the year 1998-99;  
Unauthorised utilization of contingencies worth Rs.1,315,985/-**

**7.4.2004** The Department explained that the funds had been transferred to the Director LG&RD Faisalabad for various purposes and vouched accounts of these transactions were available in the offices of Incharge Special Cell at District level.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004** The Department explained that the inquiry proceedings had been finalized and the para had been recommended for settlement. However, the same may be referred to four members Committee already constituted to scrutinize the draft paras relating to development contingency funds.

**Para was kept pending** with the direction that the issue may be decided by the DG, LG & RD and if not within his competency be got regularized by the competent authority.

**78. Para No.78 Pages 61 & 62 of Audit Report for the year 1998-99; Loss of Rs.898,323/-**

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**7.4.2004** Audit had pointed out construction of Community Centres in District Chakwal on private land and failure to transfer/hand over them to the concerned Department resulting in loss to the Government.

The Department explained that both the Community Centres had been handed over to the local offices of Social Welfare Department in writing and requested that para be settled after the verification of relevant record.

The Committee kept the para pending for reconciliation of record with audit.

**2.12.2004** The Department explained that since the issue involved in the para was under investigation with NAB, the same may be kept pending.

The para was accordingly kept pending.

**79. Para No.79 Pages 62 & 63 of Audit Report for the year 1998-99; Un-authorised payment of Rs.692,055/- on account of contingencies without vouched account.**

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**7.4.2004** The Department explained that the funds had been transferred to the LG&RD Department Bahawalpur for utilization as per policy and the vouched accounts of these transactions were available in the office of Incharge Special Cell at District level.

The Committee settled the para subject to verification of record by audit within three months.

**2.12.2004** The Department explained that the inquiry proceedings had been finalized and the para had been recommended for settlement. However, the same may be referred to four members Committee already constituted to scrutinize the draft paras relating to development contingency funds.

**Para was kept pending** with the direction that the issue may be decided by the DG, LG & RD if not within his competency be got regularized by the competent authority.

**80.            Para No.80 Page 63 of Audit Report for the year 1998-99; Un-  
authorised payment of Rs.663,742/- on account of work contingencies without  
vouched account.**

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**7.4.2004**        The Department explained that funds had been transferred to LG&RD Department, Rawalpindi and Gujranwala respectively for their utilization as per policy of the Government and vouched account of these transactions were available in the office of Incharge Special Cell.

The Committee settled the para subject to verification of record by Audit.

**2.12.2004**        The Department explained that the inquiry proceedings had been finalized and the para had been recommended for settlement. However, the same may be referred to four members Committee already constituted to scrutinize the draft paras relating to development contingency funds.

**Para was kept pending** with the direction that the issue may be decided by the DG, LG & RD and if not within his competency be got regularized by the competent authority.

**81.            Para No.81 Page 64 of Audit Report for the year 1998-99; Un-  
authorised payment of Rs.287,375/- on account of contingencies without vouched  
account.**

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**7.4.2004**        The Department explained that funds had been transferred to LG&RD Department, Rawalpindi and Gujranwala respectively for their utilization as per policy of the Government and vouched account of these transactions were available in the office of Incharge Special Cell.

The Committee settled the para subject to verification of record by Audit.

**2.12.2004**        The Department explained that the inquiry proceedings had been finalized and the para had been recommended for settlement. However, the same may be referred to four members Committee already constituted to scrutinize the draft paras relating to development contingency funds.

**Para was kept pending** with the direction that the issue may be decided by the DG, LG & RD and if not within his competency be got regularized by the competent authority.

**82.            Para No.82 Pages 64 & 65 of Audit Report for the year 1998-99;  
Loss of Rs.284,800/-**

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**7.4.2004**        Audit had pointed out construction of Community Centres on private land without getting the land transferred in Government's name. Further, the constructed buildings were damaged by river erosion.

The Department explained that total amount had been recovered and deposited into Government Treasury.

The Committee directed the Department to provide a complete list of 465 Community Centers, which were constructed on the private land.

The para was settled subject to verification of complete recovery by audit within three months.

**2.12.2004**        The Department explained that since the issue involved in the para was under investigation with NAB, the same may be kept pending.

**The para was accordingly kept pending.**

**83.            Para No.83 Pages 65 & 66 of Audit Report for the year 1998-99;  
Loss of Rs.231,410/-**

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**7.4.2004**        Audit had pointed out that the department made payments to various contractors on account of supply of different materials for construction of schools, which were already at completion stage and the material was also not utilized.

The Department explained that secured advances were paid through running bills to the different contractors against the supply of material for construction of three schools. The school buildings had been finalized and material amounting to Rs.191,455/- had been adjusted and remaining amount of Rs.39,955/- had been recovered.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004** Audit pointed out that during verification of record it had been observed that 4<sup>th</sup> and final bill had been passed in minus (-) 3,017/- and the same is still outstanding against the contractor.

**The Committee settled the para subject to recovery of Rs.3,017/-and its verification by Audit.**

**84.            Para No.84 Page 66 of Audit Report for the year 1998-99; Loss of Rs.188,000/-**

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**7.4.2004**        The Department explained that Community Centre at Yake Wala was constructed at a cost of Rs.188,000/- but was later demolished and the material was taken away by the land owner. An FIR was lodged against the accused and the case was sub-judice. The para was kept pending.

**2.12.2004**        The Department explained that since the issue involved in the para was under investigation with the NAB, the same may be pended.

**The para was accordingly kept pending.**

**85.            Para No.85 Page 67 of Audit Report for the year 1998-99; Non-adjustment of advance payment of Rs.2,108,796/-**

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**7.4.2004**        The Department explained that vouched account of all the advance payments were available in the office of Assistant Director LG&RD Kasur. The Department further explained that in 23 cases funds had been transferred to the Union Councils as their share of local rate received from District Council.

**The Committee settled the para subject to verification of record by audit within three months.**

**2.12.2004**        Audit explained that as a result of verification of record the para had been reduced to Rs.118,796/- and the same is still recoverable.

**The Committee settled the para subject to balance recovery and its verification by Audit.**



**86. Para No.86 Pages 67 & 68 of Audit Report for the year 1998-99; Non recovery of Rs.873,600/-**

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**7.4.2004** Audit had pointed out that the department had allowed secured advance to the contractor against supply of stone metal and crush bajri but the contractors did not start work and the amounts remained un-recovered.

The Department explained that audit had wrongly worked out the amount and actual amount of secured advances came to Rs.785,250/-. This amount was adjusted at subsequent stage after actual execution of the work at site and payments were made on the basis of material consumed at site.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004** Audit stated that the secured advance recovered had been verified and recommended the para for settlement.

**The para was settled on the recommendation of Audit.**

**87. Para No.87 Pages 68 & 69 of Audit Report for the year 1998-99; Non recovery of Rs.496,483/-**

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**7.4.2004** Audit had pointed out that LG&RD Department, Jhang made payments to various contractors for supply of stone for sub-base course. The amounts were not recovered despite lapse of three years.

The Department explained that the reply of field formation was not satisfactory and did not justify the utilization of grant of secured advances. The Department had ordered a fact-finding inquiry into the matter to fix responsibility, if required.

The Committee kept the para pending with the directions that the department should finalize the inquiry proceedings and submit report to PAC within three months.

**2.12.2004** Administrative Secretary explained that the Department is not satisfied with the recommendation of the inquiry officer and had decided to proceed against the responsible officials who did not exercised due care. Action under Removal from Service Ordinance 2000 has been initiated.

**The para was kept pending.**

**88.            Para No.88 Page 69 of Audit Report for the year 1998-99; Non recovery of Rs.251,764/-**

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**7.4.2004**        Audit had pointed out that the department failed to recover hiring charges of road rollers from contractors and other departments.

The Department explained that on the basis of available record/logs books of road rollers, recovery for only 390 days was required and total amount of Rs.180,778/- had been recovered.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004**     Audit pointed out that as a result of verification of record the amount of the para had been reduced to Rs.125,382/-.

Administrative Department explained that balance recovery had been made through running bills and the same could be verified by Audit.

The Committee settled the para subject to verification of relevant record by Audit.

**89.            Para No.89 Pages 69 & 70 of Audit Report for the year 1998-99; Misuse of government vehicle M.B 67 and non-recovery of Rs.225,994/-**

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**7.4.2004**        The Department explained that the said vehicle was handed over to the Flood Relief Officer, Multan and the officer handed over the same to Deputy Director (Dev) MB Din. The Department had requested the officer to explain the position but no reply was received. The Department had ordered the field formation to serve final notice to the officer concerned.

The Committee kept the para pending with the direction that all the required steps should be taken and the matter should be finalized within three months.

**2.12.2004**     Administrative Department explained that fact finding inquiry was conducted into the matter and it had been observed that vehicle was acquired by the DC Mandi Baha-ud-Din for flood duty and the officer was authorized to draw POL against the said vehicle and all the bills had been authenticated by the DC. The log book also shows that the vehicle had been used for official purposes.

**The Committee settled the para subject to verification of log book.**

**90.            Para No.90 Page 70 of Audit Report for the year 1998-99; Non recovery of Rs.142,444/-**

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**7.4.2004**        Audit had pointed out that LG&RD Khanewal failed to recover the hiring charges of road roller from different contractor/agencies.

The Department explained that hiring charges of road roller had been deducted from bills of the contractor which remained in the PLA of Assistant Director LG Khanewal and no separate entries of such deductions were made in the cash book.

The Committee settled the para subject to verification of record by Audit within three months.

**2.12.2004**    Administrative Department stated that the entire recovery had been effected and deposited into Government treasury.

**Committee settled the para subject to verification of record by Audit.**

**91.            Para No.91 Page 71 of Audit Report for the year 1998-99; Non recovery of Rs.107,355/-**

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**7.4.2004**        Audit had pointed out that LG&RD Department, Sialkot failed to recover secure advances amounting to Rs.107,355/- for supply of crush stone and bitumen from the contractors.

The Department explained that the para was based on two advance paras No.146 & 161.

**Advance Para No.146.**

The Department explained that a bill amounting to Rs.73,020/- was paid for supply of road material in June 1996. Fund were frozen and the contractor consumed the material at site. Later, incomplete project was taken over by Zila Council, Sialkot which assessed the work done by the contractor to the tune of Rs.73,020/- and accordingly adjusted their scope of work.

**Advance Para No.161.**

The Department explained that the contractor was paid Rs.50,000/- for construction of pacca road from Fazilpura to Tanga Stand Gohidpur which included

the supply of road material amounting to Rs.34,335/-. The cheque of Rs.50,000/- remained un-cashed due to freezing of funds.

The Committee settled the para subject to verification of record by audit within three months.

**2.12.2004** Audit stated during the meeting that record had been verified and recommended the para for settlement.

**The para was accordingly settled.**

**92.            Para No.92 Pages 71 & 72 of Audit Report for the year 1998-99; Non recovery of Rs.64,000/-**

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**7.4.2004** Audit had pointed out that LG&RD Bahawalnagar failed to recover the room rent and allied charges of Rest House from the persons utilizing the facility.

The Department explained that defaulting officer had not deposited the rent despite repeated reminders. The Department had ordered the field formation to provide whereabouts of the defaulting officer so that the matter could be taken up at higher level.

The Committee kept the para pending with the direction that the department should complete the process for effecting recovery at the earliest.

**2.12.2004** Administrative Department explained that fact finding inquiry was conducted and it had been concluded that the rest house was mainly used for official purposes, the case for recovery of rent was not established.

Audit verified the departmental contention and recommended the par for settlement.

**The para was accordingly settled.**

The Committee examined the Accounts of the Provincial Assembly of the Punjab Department in its meeting held on 3.7.2002 and made the following recommendations:-

### **Audit Paras (Civil) for the year 1998-99**

**1.            Para No.1.2: Pages 89 and 90 of Audit Report relating to Home and S&GAD for the year 1998-99; Misappropriation of consumable store recovery of Rs.205,563.**

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Secretary, Punjab Assembly-Rs.41,063

**3.7.2002**      The Department explained that the amount of Rs.41,063 under observation in this para related to the expenditure on consumable articles like air fresheners, phenyl, tissue papers, brasso liquid, vim powder and surf etc made during the year 1997-98 for the up-keep and maintenance of the Assembly building including offices of Speaker, Deputy Speaker, Chief Minister and Ministers. These articles were issued in very small quantities on daily basis to a large number of sweepers, farashes, etc for use in their respective places of duty. A proper record of the use of these articles was maintained under attestation of a Superintendent.

The audit observation was based on the contention that the acknowledgement receipts of the actual users, which in this case were sweepers, farashes and other menial staff had not been obtained.

The Department explained that after verification of the record maintained by the Department the SDAC in its meeting held on 18 July 2000 had settled the para.

Audit verified the position. **The para was settled.**

**2.            Para No.8: Pages 95 and 96 of Audit Report relating to Home and S&GAD for the year 1998-99; Violation of Rules-Rs.23,919,903.**

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Secretary, Provincial Assembly of the Punjab-Irregular printing of debates on exorbitant rates. (Rs.56,260 + Rs.7,876= Rs.64,136).

**3.7.2002**      The Department explained that the amount of Rs.64,136 under observation in this para related to the printing of Assembly Debates at private presses. The Department stated that the Government Printing Press had expressed its inability to provide the paper and card for use in the printing of the Debates and their title cover. Moreover, the Finance Committee of the Provincial Assembly of the Punjab had also allowed the Assembly Secretariat to get the printing of the Debates at private printing presses. The printing work was accordingly awarded to four

private printers at the lowest quotation of Rs.116 per page per 400 copies after inviting quotations through advertisement in the newspapers. Regarding late payment to one of the printers it was stated that the books printed by him contained several mistakes, therefore, the books were got reprinted by him at his own expense and on successful completion of the work the payment was released during the year 1996-97. After verification of record produced by the Department, the SDAC in its meeting held on 18 July 2000 had settled the para.

Audit verified the position. The **para was accordingly settled.**

### **3. Para No.12.3: Page 100 and 101 of Audit Report relating to Home and S&GAD for the year 1998-99; Recoverables-Rs.780,321.**

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Secretary, Provincial Assembly of the Punjab (Recovery of Rs.527,492 due to excess calls on residential telephones/overseas calls).

**3.7.2002** The Department explained that the amount of Rs.527,492/- under observation in this para related to the charges of the overseas calls made from the telephones of Speaker, Deputy Speaker and Leader of Opposition. The Department stated that according to the respective acts of the Assembly applicable to the Privileges of the Speaker, Deputy Speaker and Leader of Opposition, they were each entitled to two telephones in their offices and two telephones at their residences, both for official and private use. Moreover, according to the Finance Department circular letter No.SO(D-IV)2-1/Tel/82(P) dated 25 November 1991, the question of recovery of trunk calls/STD/NWD or ISD arose only if the expenditure exceeded the prescribed ceiling. In the case of Speaker, Deputy Speaker and Leader of Opposition, no ceiling had been prescribed in the respective Privileges Acts. Therefore, the question of recovery did not arise.

The Department also pointed out that the same treatment was being given to the Ministers under the administrative control of the S&GAD.

The Department further stated that in view of the legal position explained above, the SDAC in its meeting held on 18 July 2000 had settled the para.

Audit verified the position. **The para was settled.**

### **4. Para No. 13.2: Pages 100, 101 & 102 of Audit Report relating to Home and S&GAD for the year 1998-99; Non recovery of Income Tax**



**amounting to Rs.150,610.**

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Secretary, Provincial Assembly Punjab, Lahore-Rs.54,000.

**3.7.2002** The Department explained that the amount of Rs.54,000 under observation in this para related to non-deduction of professional tax from the suppliers/contractors providing goods/services to Assembly Secretariat during the period from 1994 to 1998.

The Department contended that the payment of professional tax on annual basis was the liability of the assessee and there was no legal obligation on the DDO to have deducted professional tax at source on each payment made to suppliers/contractors.

The Department further stated that in view of the legal position explained above, the para had been settled by the SDAC in its meeting held on 18 July 2000. Audit verified the position.

The Committee, however, observed that if the provision of production of certificate regarding payment of professional tax was included in the contract agreement, then the said provision should be followed.

The para was settled.

**5. Para No. 14.1: Pages 100 & 102 of Audit Report relating to Home and S&GAD for the year 1998-99; Recovery of Rs.141,000 due to non recovery of canteen rent.**

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Secretary, Provincial Assembly of the Punjab-Rs.49,000.

**3.7.2002** The Department explained that out of the total amount of Rs.49,000 under observation in this para Rs.14,000 related to dues of Assembly Canteen and Rs.35,000 related to the dues of the Pipals House Canteen. The amount of Rs.14,000 had since been recovered and verified by Audit. As regards the dues of Pipals House Canteen, out of the sum of Rs.35,000, an amount of Rs.10,000 had been recovered/adjusted from the security of the contractor and the same had been verified by Audit.

After observing the legal formalities, the outstanding amount against the contractor had been declared to be recoverable from him as arrears of Land Revenue vide notification dated 21 December 2000.

The contractor had, however, filed a civil suit against the recovery in the Court of Civil Judge, Lahore. The next date of hearing was 6 July 2002. The civil suit was being pursued vigorously.



The Committee directed the Department to pursue the recovery/court case and directed the Finance Department to monitor the same.

**The Committee settled the para with the direction that subject to decision of the Court, the outstanding amount be recovered.**

### **General Observation/Direction**

**3.7.2002** The Committee observed that holding of the meetings of the SDAC, even after conversion of ordinary para into audit para needed to be encouraged with the object of early examination of audit objections. Moreover, the SDAC should also discuss the appropriation accounts and issues related with the reconciliation of the accounts between the Administrative Departments and the Accountant General Punjab. The representatives of the Finance Department and the Accountant General Punjab supported the observation of the Committee.

The Committee examined the Accounts of the Planning & Development Department in its meeting held on 7.7.2004 and made the following recommendations:-

## **CHOLISTAN DEVELOPMENT AUTHORITY**

### **Audit Paras (Works) for the year 1998-99**

**1. Para No.1 Page 7 of Audit Report for the year 1998-99;  
Overpayment (Rs.87,912/-).**

**7.7.2004** Audit had pointed out that an overpayment was made for full item of earth work embankment without deducting the quantity of bed slopes shoulders, side slopes and road edging as provided in the technically sanctioned estimate.

The Department explained that the entire amount as pointed out by the Audit had been recovered and deposited into the Government Treasury.

Audit verified the contention of the department.

On the recommendation of audit, the Committee **settled the para.**

**2. Para No.2 Pages 7 & 8 of Audit Report for the year 1998-99;  
Overpayment (Rs.89,369/-).**

**7.7.2004** Audit had pointed out that payment for excess quantity pertaining to sub-base course had resulted in an over payment of Rs.89,369/- to the contractor.

The Department explained that the record entries were made as 6” thick sub-base at RD 0 to 7000 by subtracting the quantities derived against 5 ½” thick sub-base before laying of base-course, as such no irregularity was committed.

Audit contended that the record in support of departmental contention be produced.

The Committee directed that the Department alongwith the audit should do spot verification leading to verification of relevant record by audit within 60 days.

The **para was kept pending.**

**3. Para No.3 Page 8 of Audit Report for the year 1998-99; Recoverable  
(Rs.10.661 Million).**

**7.7.2004** Audit had pointed out that the Department did not recover the amount from the

cultivators on account of water rate and land revenue etc.

The Department explained that in the instant case the water was provided to the National Park, Lal Sohanra free of cost under the direction of the Governor of the Punjab.

Audit stated that the requisite exemption letter be produced to it for verification.

The Committee **settled the para subject to production of exemption letter to and its verification by the Audit.**

**4.                Para No.4 Page 9 of Audit Report for the year 1998-99; Non-Recovery of Government Dues of Rs.493,245/-.**

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**7.7.2004**      Audit had pointed out that the Department failed to recover cost of land units etc. from different allottees.

The Department gave detailed explanation in respect of audit observations and contended that the para should be reduced to Rs.52,615/- which would be recovered from the allottees of lot No.22 Chak No.165/7R. The Department, however, stated that the revision of whole procedure of the allotment was under consideration in the Department and requested that the para be pended till finalization of the same.

On the request of the Department, **the para was kept pending.**

**5.                Para No.5 Page 9 of Audit Report for the year 1998-99; Loss to Government of Rs.105,000/-.**

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**7.7.2004**      Audit had pointed out that the Department failed to recover the cost of drums of bitumen from a contractor.

The Department explained that the adjustment of 50 drums of bitumen as pointed out by the Audit had been made.

Audit verified the contention of the department.

On the recommendation of audit, the **Committee settled the para.**

The Committee examined the Accounts of the Population Welfare Department in its meeting held on 14.7.2004, 15.7.2004 & 3.12.2004 and made the following recommendations:-

### **Audit Paras (Civil) for the year 1998-99**

#### **1.            Para No.1 Page 7 of Audit Report for the year 1998-99; Theft of Government Money Amounting To Rs.149,629/- By Dacoits.**

**14.7.2004**     Audit had pointed that the pay and allowances for the month of 3/98 amounting to Rs.149,629/- were looted by the dacoits.

The Department explained that the criminal case registered for the robbery was filed as untraced by the Police. In view of this, the case for write off sanction of the loss was being moved to Finance Department.

The Committee conditionally settled the para subject to write off sanction by the Finance Department.

**3.12.2004**     The Department explained that the case had been referred to Finance Department on 11.11.2004 for write off sanction regarding irrecoverable loss amounting to Rs.149,629/-, however, decision of the Finance Department was still awaited.

**Committee settled the para subject to write off sanction by the Finance Department.**

#### **2.            Para No.2 Pages 7 & 8 of Audit Report for the year 1998-99; Mis-appropriation of POL Purchased Worth Rs.166,388/-.**

**14.7.2004**     Audit had pointed out the likely misappropriation because entries about POL consumption were not made in the log books.

The Department explained that the para was settled in the SDAC meeting dated 12-6-2002.

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

#### **3.            Para No.3.1 Pages 6 & 8 of Audit Report for the year 1998-99; Mis-**

**appropriation of Medicines And Other Miscellaneous Items of Store Valuing Rs.239,997/- .**

District Population Welfare Officer, Rawalpindi - Rs.95,439/-

**14.7.2004** Audit had pointed-out that medicines and other store articles were found short due to less carrying forward of balances etc.

The Department explained that the para was settled in SDAC meeting dated 18 to 23.6.2000.

On the recommendation of audit, the **Committee settled the para.**

**4. Para No.3.2.**

District Population Welfare Officer, Attock – Rs.144,558/-

**14.7.2004** Audit had pointed out that medicines and other store articles were found short due to less carrying forward of balances etc.

The Department explained that an amount of Rs.38,084/- had been recovered from the defaulters and remaining amount of Rs.69,030/- was being recovered from the concerned employees in monthly installments.

The Committee settled the para subject to balance recovery and verification of recovery already effected by audit.

**3.12.2004** The Department explained that partial recovery had been effected and deposited into Government treasury leaving a balance amount of Rs.58,458/- and the same would be recovered by installments being recoverable from low paid officials.

The **Committee settled the para subject to balance recovery and its verification by Audit.**

**5. Para No.4 Page 8 of Audit Report for the year 1998-99; Embezzlement of Rs.244,030/- Due To Non Linkage Of Payment Record.**

**14.7.2004** Audit had pointed out that Rs. 244,030/- were drawn out of PLA account but the relevant record like acknowledgements of payees receipts and vouchers were not produced to audit.

The Department explained that as a result of an inquiry held into the matter, Mr. Shah Muhammad, GA, was found responsible for the loss of Rs.244,030/- who was dismissed from service. As for deposit of Rs.40,000/- by him, copies of vouchers supporting the deposit of Rs.35,769/50 were traced. The revenue authorities of District Toba Tek Singh had been approached for recovery of Rs.204,030/- from Shah Muhammad as arrears of land revenue. The Department further stated that Mr. Shah Muhammad had been reinstated into service by the Federal Service Tribunal.

The Committee kept the para pending with the direction that the Department should pursue the recovery process.

**3.12.2004** The Department explained that the official concerned (Mr. Shah Muhammad) was dismissed from service after formal inquiry, but the FST set aside the inquiry proceedings and reinstated the official. However, the official had promised to produce the record.

The Committee directed to produce the record to Audit and the **para was kept pending.**

**6. Para No.5 Page 9 of Audit Report for the year 1998-99; Loss of Rs.233,818/- Inflicted On the government By Using electricity, Sui-gas, Telephone From Government Connections.**

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**14.7.2004** Audit had pointed out that the owner of the building hired by District Population Welfare Office, Gujrat had been using utility services from Government connections without sharing the liability.

The Department had explained that a few rooms of the building were in the custody of the land lady, wherein a separate meter was installed and she was paying utility charges in respect thereof. The Administrative Secretary verified the installation of the separate meter.

The Committee accepted the explanation of the department and **settled the para.**

**7. Para No.6 Page 9 of Audit Report for the year 1998-99; Mis-appropriation of Rs.157,440/-**

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**14.7.2004** Audit had pointed out the likely misappropriation due to the difference of Rs. 157,409/- found between the PLA and Treasury Pass Book.

The Department explained that the National Bank of Pakistan, Chakwal had

confirmed the credit of Rs. 157,409/- vide letter No. BR.CKL.99/83 dated 11-6-1999.

On the recommendation of audit, the **Committee settled the para.**

**8. Para No.7 Page 11 of Audit Report for the year 1998-99; Un-  
authorised drawal of Rs.35,901/- From PLA Account.**

**14.7.2004** The Department explained that a crossed cheque for Rs.50,538/- regarding stipend of children was received and deposited in the PLA. However, an amount of Rs.86,439/- was redrawn for payment of Rs. 50,538/- as stipends to the children of Population Welfare employees and Rs. 35,901/- for the Baby Show.

On the recommendation of audit, the **Committee settled the para.**

**9. Para No.8.1 Pages 12 & 14 of Audit Report for the year 1998-99;  
Irregular Drawal Of Rent Of Office Building Valuing Rs.1,413,144/-**

District Population Welfare Officer, D.G Khan – Rs.180,000/-

**14.7.2004** Audit had pointed out that the buildings for various offices were hired at rates higher than the limit fixed for the purpose.

The Department explained that the project for which these offices were hired was approved by ECNEC and the Secretary PWD had accorded the necessary sanction in this regard being the competent authority.

The Committee accepted the explanation of the department and **settled the para.**

**10. Para No.8.2.**

District Population Welfare Officer, Mianwali – Rs.607,393/-

**14.7.2004** The Department explained that the para was settled in SDAC meeting dated 10 to 15-12-2001 on the ground that sanction of the competent authority had been obtained.

On the recommendation of audit, the **Committee settled the para.**

**11. Para No.8.3.**

District Population Welfare Officer, Chakwal – Rs.218,416/-



**14.7.2004** The Department explained that as per the observation of the Audit, the requisite sanction of the competent authority had been obtained.

On the recommendation of audit, the **Committee settled the para.**

**12. Para No.8.4.**

District Population Welfare Officer, Jhelum – Rs.287,335/-

**14.7.2004** Audit had pointed out that buildings for offices were hired at higher rates than the limit fixed for the purpose.

The Department explained that the case for obtaining sanction/ regularization by competent authority had since been moved.

The Committee settled the para subject to necessary regularization/ sanction by the Competent Authority and verification thereof by the audit.

**3.12.2004** The Department explained that ex-post facto sanctions for Rs.52,500/- and Rs.60,000/- had been received from the Secretary PWD and the same had been got verified by Audit.

The Audit also verified the departmental contention and **the para was accordingly settled.**

**13. Para No.8.5.**

Divisional Director Population Welfare, D.G Khan – Rs.120,000/-

**14.7.2004** The Department explained that in compliance with the direction of SDAC meeting dated 1.3.1999, an amount of Rs. 9,000/- was deducted/received from the owner of the building and deposited vide income tax challan No. 6 dated 21-4-1999.

On the recommendation of audit, **the Committee settled the para.**

**14. Para No.9.1 Pages 12, 14 & 15 of Audit Report for the year 1998-99; Unauthorised Drawal Out of PLA Valuing Rs.2,004,377/-**

Div. Dir. P.W. Department, Faisalabad – Rs.208,183/-

**14.7.2004** Audit had pointed out that amount was drawn out of PLA for pay and allowance, contingencie etc. which was in fact required to be met from the functional budget allocation existing in the yearly budget through pre-audit by A.G Punjab.

The Department explained that as per Finance Department's notification dated 21.1.1996, payment of salaries and allowances were switched over to AG's office w.e.f. 1.7.1996 with the impression that operational costs would continue to be drawn from PLA accounts. However, the written policy was conveyed vide notification dated 3.9.1997 which was received on 25.9.1997 after which no contingencies cost was drawn from PLA. The Department added that no double payment was made and payments did not exceed the budget limits.

Finance Department observed that it should be ensured that there was no double payment and that the same remained within the budgetary allocation. In view of this, regularization of the expenditure made was required.

The Committee conditionally settled the para subject to regularization of the expenditure by the Finance Department/competent authority.

**3.12.2004** The Department explained that the cases for regularization/seeking ex-post facto sanction have been referred to the competent authorities but the action was still awaited.

**The para was kept pending till regularization/ex-post facto sanction by the competent authority.**

## **15. Para No.9.2.**

District Population Welfare Officer, Faisalabad – Rs.787,027/-

**14.7.2004** Audit had pointed out un-authorized drawal of Rs.787,027/- from PLA.

The Department explained that the para was discussed in SDAC meeting held on 1.3.1999 which had kept the para pending for want of ex-post facto sanction.

Audit observed that in this case ex-post facto sanction was required to be obtained from Finance Department as the Secretary was not competent to accord the requisite sanction.

**The Committee settled the para subject to ex-post facto sanction of the**

**expenditure by the Finance Department.****16.           Para No.9.3.**

District Population Welfare Officer, Sialkot – Rs.578,594/-

**14.7.2004**     Audit had pointed out that amount was drawn out of PLA for pay and allowance, contingencie etc. which was in fact required to be met from the functional budget allocation existing in the yearly budget through pre-audit by A.G Punjab.

The Department explained that as per Finance Department's notification dated 21.1.1996, payment of salaries and allowances were switched over to AG's office w.e.f. 1.7.1996 with the impression that operational costs would continue to be drawn from PLA accounts. However, the written policy was conveyed vide notification dated 3.9.1997 which was received on 25.9.1997 after which no contingencies cost was drawn from PLA. The Department added that no double payment was made and payments did not exceed the budget limits.

Finance Department observed that it should be ensured that there was no double payment and that the same remained within the budgetary allocation. In view of this, regularization of the expenditure made was required.

The Committee conditionally settled the para subject to regularization of the expenditure by the Finance Department/competent authority.

**3.12.2004**     The Department explained that the cases for regularization/seeking ex-post facto sanction have been referred to the competent authorities but the action was still awaited.

**The para was kept pending till regularization/ex-post facto sanction by the competent authority.**

**17.           Para No.9.4.**

District Population Welfare Officer, Jhelum – Rs.188,500/-

**14.7.2004**     The Department explained that the para was settled in SDAC meeting held on 18 to 23-6-2003.

On the recommendation of audit, **the Committee settled the para.**

**18.           Para No.9.5.**

District Population Welfare Officer, Chakwal – Rs.242,073/-

**14.7.2004** Audit had pointed out that amount was drawn out of PLA for pay and allowance, contingency etc. which was in fact required to be met from the functional budget allocation existing in the yearly budget through pre-audit by A.G Punjab.

The Department explained that as per Finance Department's notification dated 21.1.1996, payment of salaries and allowances were switched over to AG's office w.e.f. 1.7.1996 with the impression that operational costs would continue to be drawn from PLA accounts. However, the written policy was conveyed vide notification dated 3.9.1997 which was received on 25.9.1997 after which no contingencies cost was drawn from PLA. The Department added that no double payment was made and payments did not exceed the budget limits.

Finance Department observed that it should be ensured that there was no double payment and that the same remained within the budgetary allocation. In view of this, regularization of the expenditure made was required.

The Committee conditionally settled the para subject to regularization of the expenditure by the Finance Department/competent authority.

**3.12.2004** The Department explained that the cases for regularization/seeking ex-post facto sanction have been referred to the competent authorities but the action was still awaited.

**The para was kept pending till regularization/ex-post facto sanction by the competent authority.**

### **19. Para No.10 Page 15 of Audit Report for the year 1998-99; Clearance of Outstanding Liabilities Of Rs.208,880/-**

**14.7.2004** Audit had pointed out that the liabilities incurred in 1996-97 were met from the budget allocation for 1997-98 in violation of rules.

The Department explained that the para was discussed in SDAC meeting dated 1.3.1999 and was kept pending for want of regularization.

Audit also suggested the regularization of the expenditure by the competent authority.

The Committee settled the para subject to regularization of the expenditure by the Finance Department/competent authority.

**3.12.2004** The Department explained that the cases for regularization/seeking ex-post facto sanction have been referred to the competent authorities but the action was still awaited.

**The para was kept pending till regularization/ex-post facto sanction by the competent authority.**

**20.            Para No.11 Pages 15 & 16 of Audit Report for the year 1998-99; Un-Authorised Expenditure Of Rs.122,817/- On Purchase Of Novel Items.**

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**15.7.2004**     Audit had pointed out that expenditure was incurred on the purchase of novel items such as air-conditioner, sofa sets, carpets etc. without prior approval of competent authority.

The Department explained that the items were purchased for RHS “A” Centre as per specification in PC-I. The ban was on the purchases of the items for use in the offices and not for the hospital.

Finance Department observed that approval for the purchase of novel items was required to be obtained from it.

The Committee settled the para subject to regularization of expenditure by the Finance Department.

**3.12.2004**     The Department explained that the cases for regularization/seeking ex-post facto sanction have been referred to the competent authorities but the action was still awaited.

**The para was kept pending till regularization/ex-post facto sanction by the competent authority.**

**21.            Para No.12 Page 16 of Audit Report for the year 1998-99; Irregular Expenditure On Conveyance Charges Valuing Rs.71,850/-**

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**15.7.2004**     Audit had pointed out irregular expenditure on conveyance charges paid to Family Welfare Markaz and “Ayas” without performing any duty and also in the absence of provision of budget in the relevant head of account.

The Department explained that the para was settled in SDAC meeting held on 18 to 23-6-2003.

On the verification and recommendation of audit, the **Committee settled the para.**

**22.            Para No.13 Pages 16 & 17 of Audit Report for the year 1998-99; Unauthorised Retention Of Government Money In Commercial Bank**

### **Amounting To Rs.161,039/-.**

**15.7.2004** Audit had pointed out that a sum of Rs. 161,039/- was drawn from PLA and kept in current account of a commercial bank in the name of DDO without obtaining prior sanction of Finance Department.

The Department explained that the amount pertaining to retainership fees of Village Based Family Planning Workers was drawn from the treasury through one PLA cheque which was deposited into the current account and payments were made to the individuals through crossed cheques.

Finance Department observed that the likelihood of misuse of the amount could not be over-ruled because the amount was drawn and was again deposited into PLA.

The Administrative Secretary stated that the department would further look into the matter with a view to verifying the facts.

The Committee directed that the department should hold an inquiry into the matter and fix responsibilities within 60 days under intimation to PAC.

The para was kept pending.

**3.12.2004** The Probing Officer reported that there was no irregularity in the accounts. The late DDO was not responsible for any fault.

Committee directed the Department to show relevant record to Audit for re-verification and **the para was kept pending.**

### **23. Para No.14 Page 17 of Audit Report for the year 1998-99; Wastage & Misuse Of Public Money Valuing Rs.50,000/-**

**15.7.2004** Audit had pointed out that an amount of Rs. 50,000/- was incurred on celebration of World Population Day without prior sanction of competent authority.

The Department explained that ex-post facto sanction in respect of the expenditure incurred had been accorded by the Competent Authority.

On the verification and recommendation of audit, the **Committee settled the para.**

### **24. Para No.15 Page 17 of Audit Report for the year 1998-99; Expenditure In excess Of Budget Allocation Valuing Rs.1,057,382/-**



**15.7.2004** Audit had pointed out that an amount of Rs. 1,057,382/- was incurred in excess of the budget allocation without re-appropriation or approval of the competent authority.

The Department stated that the para was settled in SDAC meeting held on 18 to 23-6-2001.

Audit did not agree with the departmental contention because the accounting system of the department was switched over from PLA to AG, Punjab w.e.f. 1.3.1996.

The Committee settled the para subject to regularization of expenditure by the Finance Department/competent authority.

**3.12.2004** The Department explained that the case for regularization had been referred to Finance Department on 11.11.2004, but the action was still awaited.

**The Committee kept the para pending till its regularization by the Finance Department.**

**25. Para No.16 Page 18 of Audit Report for the year 1998-99; Irregular Expenditure Due to Advance Drawal Of Rs.155,000/-**

**15.7.2004** Audit had pointed out that a sum of Rs. 155,000/- was drawn out of PLA as advance without prior approval/sanction of competent authority.

The Department explained that in compliance with the directions given in SDAC meeting dated 1-3-1999, income tax amounting to Rs. 4,477/- had been deposited. Moreover, the World Population Day was celebrated with the approval of the competent authority.

The Committee accepted the reply of the Department and **settled the para.**

**26. Para No.17.1 Pages 13, 18 & 19 of Audit Report for the year 1998-99; Irregular Expenditure On Account of Purchase Of Durable Goods Valuing Rs.499,422/-**

Director Population Welfare, Bahawalpur – Rs.170,786/-

**15.7.2004** Audit had pointed out that an amount of Rs. 170,786/- was spent on purchase of surgical items, furniture and miscellaneous items beyond competency and without sanction of competent authority.

The Department explained that in the light of the direction of SDAC meeting held on



1-3-1999, ex-post facto sanction by the competent authority had been obtained.

On the verification and recommendation of audit, the **para was settled**.

**27. Para No.17.2.**

Director Population Welfare, Multan – Rs.328,636/-

**15.7.2004** Audit had pointed out that a sum of Rs. 328,636/- was spent on purchase of surgical items, furniture and miscellaneous items beyond competency and without sanction of competent authority.

The Department explained that the expenditure was incurred on account of purchase of instruments/equipment, furniture and fixture from different firms/suppliers after observing all codal formalities and that the same was within the competence of the Divisional Director.

The Committee settled the para subject to verification of relevant record by the Audit.

**3.12.2004** Audit explained that the departmental contention was not tenable as the expenditure of Rs.328,636/- was sanctioned by the DDO whereas he was competent to sanction upto Rs.150,000/-. Besides, all the payments were made in cash which was also against the rules.

Committee directed the Department to get the expenditure regularize by the competent authority and the **para was kept pending**.

**28. Para No.18 Page 19 of Audit Report for the year 1998-99;  
Expenditure Beyond Competency Valuing Rs.481,375/-**

**15.7.2004** Audit had pointed out that expenditure of Rs. 481,375/- was incurred on installation of new telephone connection, rent of building, repair of vehicles beyond competency.

The Department explained that in the light of the decision of SDAC, necessary sanction had been obtained from the competent authority.

The Committee settled the para subject to provision of ascertainment certificate for the rent of the building by Excise & Taxation Department and its verification by the Audit.

**3.12.2004** Audit had verified the assessment certificate issued by the E&T Department and recommended the para for settlement.

The Committee accordingly **settled the para.**

**29.            Para No.19 Pages 19 & 20 of Audit Report for the year 1998-99;  
Expenditure Beyond Competency Valuing Rs.860,447/-**

**15.7.2004**    The Department explained that the actual amount involved in the para was Rs.754,669/- instead of Rs.860,447/- and that the ex-post facto sanction in respect of the expenditure incurred had been granted by the competent authority.

On the verification and recommendation of audit, **the Committee settled the para.**

**30.            Para No.20 Pages 22 of Audit Report for the year 1998-99; Wastage  
of Rs.1,283,027/- due To Procurement Of Sub-Standard Furniture, Kits and  
Near To Expiry Medicine.**

**15.7.2004**    The Department explained that the sub-standard chairs were replaced by the firm concerned which, however, did not lift the defective chairs. So far as the kits were concerned, it was stated that these were rusted due to entry of rain water into the store room which were cleaned and made usable. Referring to the medicines, the department stated that they were used before the date of expiry except 20 packets of tablets which were returned to the District Office. The department argued that no loss was caused to government and the record was available for verification.

The Committee settled the para subject to verification of relevant record by Audit.

**3.12.2004**    Audit stated that the record had not been provided for verification.

Administrative Secretary explained that the para consists of three parts:-

i)            **Purchase of substandard chairs.**

The chairs supplied by the firm were not accepted being sub-standard and the firm replaced the sub-standard chairs and the defective chairs remained unreturned.

ii)           **Non-issuance of 157 kits.**

The rusted kits donated by a foreign agency, could not be utilized and remained lying in the store and now the same were being used.

iii)           **Purchase of medicines.**

All the medicines were used before the date of expiry except 30 packets of Abazale tablets which could not be utilized.

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

**31. Para No.21 Pages 22 & 23 of Audit Report for the year 1998-99; Non-Utilization Of Funds Amounting To Rs.65,000/- For The Prescribed Purpose.**

**15.7.2004** Audit had pointed out that an amount of Rs. 65,000/- was drawn out of PLA to conduct the workshop of Homeopath and Hakeems but no such workshop was conducted and the amount was utilized for any other purpose.

The Department explained that the amount received was Rs. 45,000/- instead of Rs.65,000/- and that the payment in respect of bills of very emergent nature was made out of this amount due to shortage of funds after 1.7.1997. However, head of the account was same.

The Committee settled the para subject to verification of record/vouchers by Audit.

**3.12.2004** Audit had verified the cash book/vouched account and recommended the para for settlement.

The para was accordingly settled.

**32. Para No.22 Pages 25 of Audit Report for the year 1998-99; Recovery Of Rs.66,254/- due To Un-Authorised Use Of Government Vehicles By the Minister**

**15.7.2004** The Department explained that the vehicles mentioned in the audit para were used for official purposes on account of checking of FW Centres and MSUs.

On the verification and recommendation of audit, the **Committee settled the para.**

**33. Para No.23.1 Pages 24, 25 & 26 of Audit Report for the year 1998-99; Recovery of Rs.85,371/- Due to Non-deduction of Income Tax At Source.**

District Population Welfare Officer , Gujranwala – Rs.39,688/-

**15.7.2004** The Department explained that the amount had been recovered from the concerned

parties and deposited into the government treasury.

On the verification and recommendation of audit, **the Committee settled the para.**

**34. Para No.23.2.**

District Population Welfare Officer , Mianwali – Rs.45,683/-

**15.7.2004** The Department explained that the para was settled in SDAC meeting dated 18 to 23-6-2001.

On the verification and recommendation of audit, **the Committee settled the para.**

**35. Para No.24 Page 26 of Audit Report for the year 1998-99; Mis-use of Vehicles resulting In a Loss Of Rs.185,832/-**

**15.7.2004** The Department explained that the para was discussed in SDAC meeting held on 18 to 23-6-2001 which after examination of log books had settled the para.

The Committee accepted the explanation of the department and **settled the para.**

**36. Para No.25 Pages 26 & 27 of Audit Report for the year 1998-99; Recovery due To the Misuse Of Government Vehicle No. LOX-458 Amounting To Rs.111,702/-**

**15.7.2004** The Department explained that vehicle No.LXO 458 did not remain in the use of Minister for Population Welfare during the year 1997-98. It was added that the Minister was authorized for free use of vehicles.

On the verification and recommendation of audit, the **Committee settled the para.**

**37. Para No.26 Page 27 of Audit Report for the year 1998-99; Recovery of Rs.64,400/- On Account of Unauthorised Purchase And Use Of Air Conditioners.**

**15.7.2004** The Department explained that in compliance with the directions given in SDAC meeting held on 1-3-1999, ex-post facto sanction about the expenditure incurred was obtained from the competent authority.

The Committee accepted the reply of the department and **settled the para.**

**38. Para No.27 Page 29 of Audit Report for the year 1998-99; Non-**

## **Production Of Record For Rs.369,980/-**

**15.7.2004** Audit had pointed out that an amount of Rs.369,980/- was drawn out of PLA but its relevant record was not shown to Audit.

The Department explained that the record in respect of disbursement of the amount had been shown to Audit.

Audit stated that the record had been seen and verified.

On the recommendation of audit, the **Committee settled the para.**

### **39. Para No.28 Page 31 of Audit Report for the year 1998-99; Non-Disposal of Condemned Government Vehicles valuing Rs.600,000/-**

**15.7.2004** Audit had pointed out that two vehicles which were declared unserviceable and condemned had not been disposed off/auctioned.

The Department explained that the vehicles which were donated by UNICEF, had now been auctioned for Rs.348,000/- after receipt of clearance of Ministry of Population and the donor agency.

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

## **General Directions**

**15.7.2004**

i) The Committee considered the case of special audit of the Board of Intermediate & Secondary Education, Lahore for 2001-2002 and reiterated its earlier directions. The Committee further directed that the special audit of the Board of Intermediate & Secondary Education, Multan be conducted for the year 2001-2003 within three months.

ii) The Committee directed that the report of Audit conducted by the Local Fund Audit in respect of the Punjab Text Book Board for the period 1997-2003 and action taken thereon be submitted to the Committee well before the next meeting of the Committee scheduled to be held on 12.8.2004.

iii) The Committee observed that it would hold periodical meetings to review the directions given by it in various meetings and directed that administrative

departments should complete action in all respects in the light of directions given by PAC with a view to presenting latest position in PAC meetings as and when fixed.

The Committee directed the Assembly Secretariat to issue instructions to all concerned accordingly.

The Committee examined the Accounts of the Services & General Administration Department in its meeting held on 5.7.2004 and made the following recommendations:-

### **Audit Paras (Civil) for the year 1998-99**

**1.            Para No.1.1 Pages 89 & 90 of Audit Report for the year 1998-99;  
Misappropriation of Consumable Store Recovery of Rs.205,563/-.**

Additional Chief Secretary S & GAD Lahore-Rs.164,500/-.

**5.7.2004**      Audit had pointed out misappropriation in respect of purchases made to the tune of Rs.164,500/-.

The Department explained that Photostat and computer paper were supplied to various offices/sections of the S&GAD on receipt of properly authorized requisitions and the stock register was also maintained as per the government instructions on the subject.

The Audit verified the explanation of the department.

On the recommendation of audit, **the Committee settled the para.**

**2.            Para No.2 Page 92 of Audit Report for the year 1998-99; Un-Lawful  
Expenditure on Purchase of Spare Parts for Air Craft Amounting to  
Rs.11,005,737/-.**

**5.7.2004**      Audit had observed that expenditure to the tune of Rs. 11,005,737/- was incurred without calling tenders and fulfilling other codal formalities.

The department stated that purchase of spare parts of aircraft was made after fulfilling all codal formalities and that the para was settled in SDAC meeting dated 11-8-2001.

Audit verified the contention of the department.

**The Committee settled the para.**

**3.            Para No.3 Pages 92 & 93 of Audit Report for the year 1998-99;**



**Irregular Purchase of Spare Parts/Tools and Equipments against Insufficient Documents Worth Rs.11,067,812/-.**

**5.7.2004** The Department gave detailed explanation in respect of audit observations and stated that the said para was discussed in SDAC meeting dated 11-8-2001 and was settled after verification of record.

Audit verified the contention of the department and recommended the para for settlement.

The **Committee** settled the para.

**4. Para No.4.1 Pages 91, 93 & 94 of Audit Report for the year 1998-99; Irregular Repair of Government Vehicles to the Tune of Rs.546,313/-**

Chief Pilot VIP Flight, Lahore-Rs.346,847/-.

**5.7.2004** The Department furnished detailed reply in respect of audit observations and stated that the said para was discussed in SDAC meeting dated 11-8-2001 and was settled after verification of record.

Audit verified the view point of the department and recommended the para for settlement.

The **Committee** settled the para.

**5. Para No.4.2.**

Chief Pilot VIP Flight, Lahore-Rs.91,480/-.

**5.7.2004** The Department explained that as already decided in SDAC meeting dated 11.8.2001, the above para was repetition of DP No. 4.1 for year 1998-99.

The Audit verified the departmental contention and recommended the para for deletion from the report.

The **Committee** accordingly allowed to delete the para from the instant report.

**6. Para No.4.3.**

Chief Pilot VIP Flight, Lahore-Rs.58,605/-.

**5.7.2004** The Department explained that as already decided in SDAC meeting dated 11.8.2001, the above para was repetition of DP No. 4.1 for year 1998-99.

The Audit verified the departmental contention and recommended the para for deletion from the report.

**The Committee accordingly allowed to delete the para from the instant report.**

**7. Para No.4.4.**

Chief Pilot VIP Flight, Lahore-Rs.49,381/-.

**5.7.2004** The Department explained that Governor's Secretariat was not concerned with this para as the same pertained to Additional Chief Secretary, S&GAD. The Audit verified the contention of the department and recommended that the para be deleted from audit report of Chief Pilot, VIP Flight, Government of the Punjab.

**The Committee directed that the para should be reflected in the relevant working paper of S&GAD for consideration.**

**8. Para No.5 Page 94 of Audit Report for the year 1998-99; Recovery of Rs.224,550/- Due to Improper Maintenance of Log Books.**

**5.7.2004** The Audit had observed that expenditure to the tune of Rs.224,550/- was incurred on purchase of POL etc. but the log books were not maintained properly as per the government instructions and fake/fictitious entries were made to cover the consumption of POL and mileage.

The Department explained that all the vehicles mentioned in the para were attached with various officers during the specific period and were used within their POL entitlement for official duty. Moreover, as per directions of SDAC meeting dated 11-8-2001, the case for regularization had been moved to Finance Department.

Finance Department observed that the case was kept pending because the para was to be considered by PAC.

The **Committee conditionally settled the para subject to regularization of expenditure by Finance Department.**

**9. Para No.6 Pages 94 & 95 of Audit Report for the year 1998-99; Irregular Payment of Custom Duty and Taxes Amounting to Rs.944,355/-.**

**5.7.2004** The Audit had pointed out an irregular payment of custom duty and taxes in connection with clearance of spare parts of air-craft amounting to Rs. 944,355/-.

The Department explained that an amount of Rs.944,355/- was paid to tax authorities as custom duty and taxes on the directions of Cabinet Division and Central Board of Revenue. Moreover, the para was also settled in SDAC meeting dated 11.8.2001.

The Audit verified the contention of the department.

On the recommendation of audit, the **Committee settled the para.**

**10. Para No.7 Page 95 of Audit Report for the year 1998-99; Irregular Purchase of Computer Amounting to Rs.67,000/- out of Helicopter Maintenance Fund.**

**5.7.2004** The Department explained that SDAC in its meeting dated 11.5.1999 had settled the para on the ground that Finance Department had allowed the utilization of the amount for the purpose.

The Committee accepted the explanation of the department and **the para was settled.**

**11. Para No.9 Page 98 of Audit Report for the year 1998-99; Loss of Rs.4,200,000/- Due to Purchase of Spare Parts for the Beech Jet Aircrafts 4W-A of VIP Flight.**

**5.7.2004** The Department explained that the purchase of spare parts was made through open tenders on the direction of the Purchase Committee headed by Additional Chief Secretary, Punjab and codal formalities were fulfilled. Meanwhile, the Finance Department had also regularized the

case vide its letter dated 8.10.2002.

The Committee accepted the explanation of the department and **settled the para.**

**12. Para No.10 Pages 98 & 99 of Audit Report for the year 1998-99; Financial Burden of Rs.14,191,000/- Million (Approx.) Each Year for Maintaining Two Aircraft for VIP Flight.**

**5.7.2004** Audit had pointed out that two aircraft were being maintained whereas the Governor had the privilege for only one aircraft under the rules.

The Department explained that the matter was referred to the Competent Authority (Governor of the Punjab), who after detailed deliberations by a committee had approved retention of both the aircraft. The Department added that the Governor could not obviously use two aircraft at a time and that the aircraft were also used by the Chief Minister/other VIPs for official duty.

Finance Department endorsed the reply of the Department.

The Committee accepted the explanation of the department and **settled the para.**

**13. Para No.11 Page 101 of Audit Report for the year 1998-99; Recovery of Rs.3,360,000/- Due to Use of Air Craft by Un-Entitled Officers.**

**5.7.2004** The Department explained that the para was discussed in the SDAC meeting held on 11-8-2001 which settled the same on the ground that no un-authorized and un-entitled person had used the aircraft.

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

**14. Para No.12.1 Pages 100 & 101 of Audit Report for the year 1998-99; Recovery of Rs.780,321/- Due to Excess Calls on Residential Telephones/ Overseas Calls.**

Additional Chief Secretary S & GAD Lahore-Rs.149,757/-.

**5.7.2004** The Department explained that the para had already been settled in SDAC meeting held on 11-5-1999.

The Audit verified the contention of the department and recommended the para for settlement.

The **para was accordingly settled.**

**15.           Para No.12.2.**

Additional Chief Secretary S & GAD Lahore-Rs.103,072/-.

**5.7.2004**       The Department explained that after obtaining the approval of the competent authority, the case had been referred to the Finance Department for regularization.

The Committee directed that if the case was not regularized by the Finance Department then recovery should be made within three month.

The **para was kept pending.**

**16.           Para No.13.1 Pages 100, 101 & 102 of Audit Report for the year 1998-99; Non-Recovery of Income Tax Amounting to Rs.150,610/-.**

Chief Pilot VIP Flight, Lahore-Rs.55,171/-.

**5.7.2004**       The Department explained the position in detail and stated that the para was settled in SDAC meeting dated 11-8-2001 with the observation that the amount of income-tax had actually been deposited into the government treasury and two firms had submitted their exemption certificates.

The Committee accepted the explanation of the department and **settled the para.**

**17.           Para No.13.3.**

Chairman Chief Minister Inspection Team, Lahore-Rs.41,439/-.

**5.7.2004**       The Department explained that recovery of Rs. 10,239.30 had been made from the concerned firms and the exemption certificates of M/s. Indus Motors had been shown to the Audit for the remaining amount.

The Audit verified the contention of the department and recommended the para for settlement.

The **para was accordingly settled.**

**18. Para No.14.2 Pages 100 & 102 of Audit Report for the year 1998-99;  
Recovery of Rs.141,000/- Due to Non Recovery of Canteen Rent.**

Additional Chief Secretary S & GAD Lahore-Rs.92,000/-.

**5.7.2004** The Department explained that the canteen provided welfare services to the low-paid employees of the Punjab Secretariat i.e. provision of food stuff at reduced rates.

The Committee accepted the explanation of the department and **settled the para.**

**19. Para No.15 Pages 102 & 103 of Audit Report for the year 1998-99;  
Loss of Rs.48,369/- Due to Payment of U.S. Dollars at Open Market Rates.**

**5.7.2004** The Department explained that the case had been referred to Finance Department for regularization.

The Committee conditionally settled the para subject to regularization of the case by Finance Department.

The Committee examined the Accounts of the Social Welfare Department in its meeting held on 6.7.2004 and 7.7.2004 and made the following recommendations:-

### **Audit Paras (Civil) for the year 1998-99**

#### **1.            Para No.1 Page 8 of Audit Report for the year 1998-99; Possible Misappropriation of Store Items Valuing Rs.175,685/-.**

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**6.7.2004**      Audit had pointed out that permanent store items were purchased from time to time but no stock entries thereof or the stock were physically available.

The Department explained that due to Ojhari Camp blast the Gehwara staff was shifted to Jhelum in 1988 and resultantly the record was shifted and re-shifted which could not be traced out at the time of audit. Now the record had been traced out which could be verified. The items were physically available in the stores. However, cost of some missing articles amounting to Rs.7963/88 had been recovered and deposited into Government treasury.

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

#### **2.            Para No.2 Pages 8 & 9 of Audit Report for the year 1998-99; Misappropriation Due to Non-Accountal of stores and Diet Items of Rs.54,577/-.**

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**7.7.2004**      The Department explaining the position with reference to each item stated that the relevant registers which were not traceable at the time of audit had now been traced out and entries about all items existed therein. Some recovery which was due had also been effected and deposited into Government treasury.

The Committee accepted the explanation of the department and **settled the para.**

#### **3.            Para No.3 Page 9 of Audit Report for the year 1998-99; Double Payment/Misappropriation of Rs.67,469/-.**

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**7.7.2004**      The Department explained that the recovery of the requisite amount had since been effected from the final payment of pension/commutation of Mr. Arshad Ahmad ex-Manager, DIH Chakwal.

The Committee settled the para subject to verification of record by Audit.

#### **4.            Para No.4 Pages 9 & 10 of Audit Report for the year 1998-99; Misappropriation of Rs.84,775/-.**

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**7.7.2004**      Audit had pointed-out that a sum of Rs.84,775/- realized from various trainees of



beauty parlour/slimming centre was not deposited into Government Treasury.

The Department explained that Advisory Committee in each Sanatzar was constituted to help the management in improving the existing services. The Committee generated its own funds by initiating training services in various fields such as beauty parlour, slimming centre etc. and teachers were appointed on contract basis to train the lady workers. Therefore, the income generated by Advisory Committee could not be termed as government money and hence was not required to be deposited into Government Treasury.

Finance Department observed that the department should frame necessary rules/bye-laws to maintain financial discipline.

The Committee observed that the money collected by the Advisory Committee was not part of the Provincial Consolidated Fund and directed the Department to show the relevant record to audit and also frame bye-laws to ensure financial discipline. With this direction, **the para was settled.**

**5.                Para No.5 Page 10 of Audit Report for the year 1998-99;  
Embezzlement of Rs.89,617/-.**

**7.7.2004**        Audit had pointed out that amounts shown on purchase of various contingent items and other misc. articles out of beauty parlour fund were actually embezzled.

The Department explained that now the stock registers/relevant record containing entries of the relevant articles was available for verification.

The **Committee settled the para subject to verification of relevant record by Audit.** The Committee further directed that the Department should make a probe into the non-production of record to audit and if it was deliberately done, then disciplinary action be taken against the defaulter.

**6.                Para No.6 Page 12 of Audit Report for the year 1998-99;  
Unauthorized Expenditure of Rs.63,500/-.**

**7.7.2004**        The Department stated that the recovery was effected from the final payment of pension/commutation of Mr. Arshad Ahmed, ex-Manager, DIH Chakwal.

The **Committee conditionally settled the para subject to verification of recovery by audit.**

**7.                Para No.7 Pages 12 & 13 of Audit Report for the year 1998-99;  
Irregular/Un-authorized Expenditure on Account of Electricity Charges  
Amounting to Rs.71,231/-.**

**7.7.2004** Audit had pointed out irregular/unauthorized expenditure of Rs.71,231/- on account of electricity charges which were required to be borne by the inmates residing in the hostel.

The Department explained that now independent sub-meters in the rooms of Hostel, incharge Hostel/staff had been installed and charges were being paid by the residents regularly as per meter reading. However, recovery from the hostel residents having long left the hostel was not possible.

The Committee took a lenient view as the matter pertained to the students of the hostels and **settled the para.**

**8. Para No.8 Page 13 of Audit Report for the year 1998-99; Irregular Expenditure out of PLA Worth Rs.293,989/-.**

**7.7.2004** Audit had pointed out that direct expenditure was made from the income received against work orders instead of depositing the amounts/receipts into PLA in violation of instructions on the subject.

The Department explained that as per the findings of an inquiry held into the matter, 90% of the amount actually received from the work orders was paid as wages to the workers and the remaining amount (10% Government Commission) was deposited into PLA account.

Finance Department observed that the matter required regularization by the Competent Authority. However, the Department could propose some new procedure in this regard for examination /approval by Finance Department.

**The Committee settled the para subject to regularization of expenditure by the Finance Department/competent authority.**

**9. Para No.9 Pages 13 & 14 of Audit Report for the year 1998-99; Irregular Payment on Account of Pay and Allowances Worth Rs.440,438/-.**

**7.7.2004** Audit had pointed out irregular payment of Rs.440,438/- on account of pay and allowances to an employee whose services were regularized when he was no more in service.

The Department explained that the two appointments were made on adhoc basis for a period of six months each but after the expiry of adhoc period the incumbents were allowed to continue as such without revalidation of orders. The Department added that appropriate action would be taken against those found responsible for the lapse after fixing responsibility and that a

summary would be submitted to the competent authority for regularization of these appointments.

The **Committee kept the para pending.**

**10.            Para No.10 Page 14 of Audit Report for the year 1998-99; Recovery of Rs.229,540/- Due to Overpayment of Pay and Allowances.**

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**7.7.2004**      Audit had pointed out recovery of Rs. 229,540/- on account of over payment of pay and allowances to an employee who was allowed to remain in service on adhoc basis upto 14.12.1992 notwithstanding the fact that her service was deemed to be terminated on 9.1.1989 after expiry of one year.

The Department explained that the Governor of the Punjab/competent authority had waived off the recovery of Rs.229,540/- and her services were also regularized.

The Committee accepted the explanation of the department and **settled the para.**

**11.            Para No.11 Page 16 of Audit Report for the year 1998-99; Purchase of Sewing Machine Worth Rs.170,580/- Without Immediate Requirement.**

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**7.7.2004**      Audit had pointed out a loss of Rs. 170,580/- on account of purchase of sewing machines without requirement.

The Department explained that the purchases were made in accordance with requirement mentioned in PC-I for the establishment of an industrial home in the newly notified District Narowal. The machines were in the use and the stock entries were available in the relevant register.

The **Committee settled the para** and directed that such purchases should not be made in future without immediate requirement.

**12.            Para No.12 Page 18 of Audit Report for the year 1998-99; Recovery of Rs.70,100/- on Account of Shortage of Stores.**

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**7.7.2004**      The Department explained that the articles were shifted to different offices, which were available in the stock duly entered in the relevant register.

The Committee settled the para subject to verification of record by Audit.

**13. Para No.13 Page 18 of Audit Report for the year 1998-99; Non-Deduction of with-Holding Tax Rs.54,375/-.**

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**7.7.2004** Audit had pointed out non-deduction of withholding tax of Rs. 54,375/- at the time of payment of rent to the concerned land lord.

The Department explained that Rs. 25,500/- had been recovered and the remaining amount could not be recovered because the landlady had contended that during the rental period i. e. March 1994 to 1997, the building was inherited by one widow and six children. After payment of property tax, the individual share of each heir was below the annual taxable income. Therefore, there was no question of payment of any other tax.

The Committee directed that the Department should again look into the matter and if recovery was established it should be made good from the defaulters.

The para was kept pending.

**14. Para No.14 Page 19 of Audit Report for the year 1998-99; Recovery of Rs.206,074/- on Account of Misuse of Government Vehicle by the Private Secretary to the Minister.**

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**7.7.2004** The Department explained that the matter was being probed.

The Committee directed that the Department should finalize the probe/matter under intimation to PAC.

The para was kept pending.

**15. Para No.15 Page 19 of Audit Report for the year 1998-99; Misuse of government Vehicle by the Provincial Minister and His PRO and Recovery of Rs.469,452/-.**

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**7.7.2004** The Department explained that the matter was being probed.

The Committee directed that the Department should finalize the probe/matter under intimation to PAC.

The para was kept pending.

**16. Para No.16 Page 20 of Audit Report for the year 1998-99; Recovery of Rs.54,679/- on Account of Misuse of Government Vehicle No.LOP-626.**

**7.7.2004** The Department stated that an Inquiry Committee was looking into the misplacement of Log Book of vehicle No.LOP-626 for fixing responsibility for the misuse, if any. It was, however, added that the vehicle had never remained in the private use of the Administrative Secretary.

The Committee directed that the inquiry be completed at the earliest under intimation to PAC.

The para was kept pending.

**17. Para No.17 Page 20 of Audit Report for the year 1998-99; Recovery of Rs.185,368/- Due to Irregular Drawal of House Rent Allowance and Conveyance Allowance.**

**7.7.2004** The Department explained that the aforesaid three paras related to the working women hostels. The Department stated that no residence was provided to the Superintendents of the Hostels, who stayed in their private residences and house rent/conveyance allowance was allowed to them. It was added that a para of similar nature was discussed in the meeting of SDAC held on 4-4-1993 and was dropped in view of the explanation of the department on identical grounds.

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

**18. Para No.18 Page 21 of Audit Report for the year 1998-99; Irregular Drawal of House Rent Allowance of Rs.80,719/-.**

**7.7.2004** The Department explained that the aforesaid three paras related to the working women hostels. The Department stated that no residence was provided to the Superintendents of the Hostels, who stayed in their private residences and house rent/conveyance allowance was allowed to them. It was added that a para of similar nature was discussed in the meeting of SDAC held on 4-4-1993 and was dropped in view of the explanation of the department on identical grounds.

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

**19. Para No.19 Page 21 of Audit Report for the year 1998-99; Recovery of Rs.106,280/- Due to Irregular Drawal of House Rent Allowance.**

**7.7.2004** The Department explained that the aforesaid three paras related to the working

women hostels. The Department stated that no residence was provided to the Superintendents of the Hostels, who stayed in their private residences and house rent/conveyance allowance was allowed to them. It was added that a para of similar nature was discussed in the meeting of SDAC held on 4-4-1993 and was dropped in view of the explanation of the department on identical grounds.

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

**20.            Para No.20 Page 22 of Audit Report for the year 1998-99; Excessive Consumption of POL Worth Rs.204,368/-.**

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**7.7.2004**        The Department explained that the matter above excessive consumption of POL was being investigated by it.

The Committee directed the Department to finalize the investigation/inquiry in 60 days under intimation to PAC.

The **para was kept pending.**

**21.            Para No.21 Page 22 of Audit Report for the year 1998-99; Shortage of Permanent Store Items Worth Rs.62,472/-.**

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**7.7.2004**        The Department explained that the record had been traced out and store items were physically available. The record could be verified by audit.

The Committee **settled the para subject to verification of relevant record by audit.**

**22.            Para No.22 Page 23 of Audit Report for the year 1998-99; Shortage of Store Articles Worth Rs.52,500/-.**

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**7.7.2004**        The Department explained that all the items were available in the stock of DIH Sialkot. Two items i.e. zig zag machine and bicycle which were misplaced had been traced and were available.

The Committee **settled the para subject to verification of record/physical verification by audit.**

**Audit Paras (Commercial) for the year 1998-99**

**23.            Para No.3(xxiii) Page 7 of Audit Report for the year 1998-99; Punjab Bait-ul-Maal, Lahore**

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**6.7.2004** Audit had observed that 1 current and 8 arrear accounts had not been submitted to it and that the consolidated final accounts from 1994-95 to 1999-2000 submitted by Punjab Bai-ul-Maal were not prepared according to recognized accounting standards and principles.

The Department explained that under the Punjab Bait-ul-Maal Act 1991, their accounts were not auditable by D.G Commercial Audit and that the Department would obtain Finance Department's advice in this regard.

Finance Department observed that accounting format could be prescribed/ approved, however, audit of the Department was required to be done as laid down in the statute applicable to the Bait-ul-Maal Department.

The Committee directed the Department to refer the matter to Finance Department for advice.

**The para was kept pending.**



The Committee examined the Accounts of the Transport Department in its meeting held on 31.7.2002 and made the following recommendations:-

**Audit Paras (Revenue Receipts) for the year 1998-99**

- 1. Para No.4.1(4950-TT/Pb): Page 63 of Audit Report for the year 1998-99; Non-realization of Government revenue on account of non-renewal of route permits-Rs.1,003,150.**
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**31.7.2002** Audit had pointed out that under Section 34(1)(b) and 60 of the Motor Vehicle Ordinance 1965 read with Rules 64(2), 85 and 91 of the Motor Vehicle Rules 1969 route permits were issued for a specific period, on expiry of which they were required to be surrendered to the issuing authority or get renewed on payment of prescribed fee and in case of default registration of the vehicles was liable to be suspended. The Department had failed to take action against permit holders in accordance with the said provisions which had resulted in non-realization of Government revenue.

The Department explained that the amounts pointed out by Audit could be recovered only when the permit holders applied for the renewal of the route permit. On expiry of the permit, the vehicle cannot be used for commercial purpose and in case of violation, the same is liable to be prosecuted under Sections 52(ii) read with Sections 44/106/112 of the Motor Vehicles Ordinance 1965. There were so many checking agencies in the province who launch prosecution against the vehicles found illegally operating/plying on the routes without valid route permits. Rule 71(2) of the motor vehicle provides that fee for route permit shall be paid in full in advance and the Permit Issuing Authorities were issuing/renewing the route permits accordingly.

The Department further stated that Lahore High Court in writ petition No.6289/90 had observed that no penalty could be imposed on the permit holders who do not intend to get their permit renewed. As such Audit observation were merely of presumptive nature and could not be supported by the provisions of law.

The Department stated in the meeting that a high level Committee had been constituted to resolve the issues relating to the renewal of the route permits.

The Committee noted and **settled the para.**

## **Audit Paras (Commercial) for the year 1998-99**

### **2. Para No.3(XXV): Page 8 of Audit Report for the year 1998-99; Punjab Road Transport Corporation (Non compilation of Accounts).**

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The Department explained that the final accounts for the year 1994-95 to 1997-98 had been compiled by the Chartered Accountants and submitted to the Commercial Audit on 21 May 1999. Similarly, the accounts for the year 1998-99 were also compiled by the Chartered Accountants and delivered to Commercial Audit on 20 January 2000.

The Committee noted the explanation of the Department and **settled the para.**

The Committee examined the Accounts of the Zakat & Ushr Department in its meeting held on 13.7.2004 and made the following recommendations:-

### **Audit Paras (Civil) for the year 1998-99**

**1. Para No.1 Page 5 (Chapter-I, Misappropriation) of Audit Report for the year 1998-99; Fraudulent Drawal of Zakat Fund Rs.0.256 Millions by the Chairman and Field Clerk.**

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**13.7.2004** The Department explained that as per decision of Anti-corruption Establishment, Multan, necessary instructions had been issued to District Zakat Office, D.G Khan to take up the matter with the District Collector to effect recovery as arrears of land revenue.

The **Committee kept the para pending** with the direction that the Department should pursue the recovery process.

**2. Para No.1 Page 5 (Chapter-II, Violation of Rules) of Audit Report for the year 1998-99; Payment Without Passing Resolution Rs.77.824 Million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.

**3. Para No.1 Page 10 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Irregular Cash Payment out of Zakat Fund Rs.22.212 million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent

authority in the Federal Government.

**4. Para No.1 Page 17 (Chapter-II Recoverable) of Audit Report for the year 1998-99; Irregular Expenditure on Purchases of Stationery from Zakat Fund to Rs.0.061 Million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.

**5. Para No.1 Page 19 (Chapter-II Recoverable) of Audit Report for the year 1998-99; Fraudulent Drawal of Rent of Building Rs.0.060 Million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.

**6. Para No.1 Page 12 (Chapter-II Non Production of Record) of Audit Report for the year 1998-99; Non-Production of Record.**

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**13.7.2004** The Department explained that matter involved in the aforesaid para had been referred for inquiry to Member Inquiry S&GAD and further action would be taken on receipt of inquiry reports. It was added that audit had verified partial recovery in respect of the para.

On the request of the Department, the **para was kept pending.**

**7. Para No.1 Pages 12 & 13 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Un-Acknowledged Payments of Rs.2.464 million.**

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**13.7.2004** The Department explained that matter involved in the aforesaid para had been referred for inquiry to Member Inquiry S&GAD and further action would be taken on receipt of

inquiry reports. It was added that audit had verified partial recovery in respect of the para.

On the request of the Department, the **para was kept pending.**

**8. Para No.1 Page 14 (Chapter-II Non Production of Record) of Audit Report for the year 1998-99; Non Production of Record Rs.6.127 Million.**

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**13.7.2004** The Department explained that matter involved in the aforesaid para had been referred for inquiry to Member Inquiry S&GAD and further action would be taken on receipt of inquiry reports. It was added that audit had verified partial recovery in respect of the para.

On the request of the Department, the **para was kept pending.**

**9. Para No.1 Page 15 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Excess Expenditure than the Prescribed Limit Rs.0.849 Million.**

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**13.7.2004** The Department stated that ex-post facto sanction for the excess payment had been obtained from the competent authority.

On the verification and recommendation of Audit, the **Committee settled the para.**

**10. Para No.1 Page 18 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Excess Expenditure from Budget Grant Rs.0.025 Million.**

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**13.7.2004** The Department explained that the excess expenditure was re-appropriated by the Regional Administrator Zakat vide letter No.6 Vol-II/RAZ/LHR/95/1076 dated 24-6-1996.

On the verification and recommendation of audit, the **para was settled.**

**11. Para No.1 Page 21 (Chapter-III Non Production of Record) of Audit Report for the year 1998-99; Non Production of Bills/Vouchers Rs.0.247 Million.**

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**13.7.2004** The Department gave detailed explanation about this para and stated that the matter about some District Zakat Committees had been referred to Ministry of Religious Affairs for condonation of irregularity and the matter regarding Toba Tek Singh had been taken up with Secretary Social Welfare for recovery of the amount from the concerned ex-District Zakat Officer, T.T Singh.

The **Committee kept the para pending** for regularization by competent authority and balance recovery.

**12. Para No.2 Page 6 of Audit Report for the year 1998-99; Irregular Payment/Purchases out of Zakat Fund Rs.0.137 Million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.

**13. Para No.2 Page 10 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Un-Acknowledged Payments of Rs.6.975 million.**

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**13.7.2004** The Department explained that matter involved in the aforesaid para had been referred for inquiry to Member Inquiry S&GAD and further action would be taken on receipt of inquiry reports. It was added that audit had verified partial recovery in respect of the para.

On the request of the Department, the **para was kept pending.**

**14. Para No.2 Page 13 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Distribution of Gift Packs without Istehqaq Certificate Rs.1.262 Million.**

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**13.7.2004** The Department explained that matter involved in the aforesaid para had been referred for inquiry to Member Inquiry S&GAD and further action would be taken on receipt of inquiry reports. It was added that audit had verified partial recovery in respect of the para.

On the request of the Department, the **para was kept pending.**

**15. Para No.2 Page 15 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Irregular Cash Payment out of Zakat Fund Rs.0.504 Million.**

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**13.7.2004** The Department stated that the payment was made through crossed cheque and not



in cash.

On the verification and recommendation of the audit, the **para was settled.**

**16. Para No.2 Page 17 (Chapter-II Recoverable) of Audit Report for the year 1998-99; Non Deduction of Income Tax to Rs.0.152 Million.**

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**13.7.2004** Audit verified record involving Rs.126,866/-.

The Department explained that the amount from DHQ Attock was still recoverable.

The **Committee kept the para pending** till balance recovery.

**17. Para No.2 Page 18 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Loss of Rs.0.094 Million Due to Irregular Employment of Contingent Paid Staff.**

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**13.7.2004** The Department explained that the appointed orders for contingent paid staff were issued by the Ministry of Religious Affairs, Zakat & Ushr. Relevant record was available for verification. However, sanction letter about DZC Lahore city and rural could not be produced due to shifting on decentralization of Zakat Department

Audit verified record involving Rs.79,810/- and suggested that for the remaining amount regularization was needed.

The **para was kept pending** for appropriate action by the Department.

**18. Para No.2 Page 19 (Chapter-II Recoverable) of Audit Report for the year 1998-99; Loss of Rs.0.171 Million Due to Irregular Running of Vehicle.**

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**13.7.2004** The Department stated that the vehicle was not utilized outside the jurisdiction of DZC except for attending certain official meetings at Islamabad and their respective Administrative Offices at Regional Headquarter and the relevant record was available for verification.

On the verification and recommendation of audit, **the para was settled.**

**19. Para No.3 Page 6 of Audit Report for the year 1998-99; Irregular Disbursement of Zakat Fund to LZC's not Notified Rs.17.055 Million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad



for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.

**20. Para No.3 Page 11 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Payment Without Passing Resolution Rs.32,655 million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.

**21. Para No.3 Page 20 (Chapter-II Recoverable) of Audit Report for the year 1998-99; Mis-Use of Government Transport Rs.0.124 Million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.

**22. Para No.3 Page 13 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Loss Due to Missing of Gift Packs Rs.2.096 Million.**

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**13.7.2004** The Department explained that matter involved in the aforesaid para had been referred for inquiry to Member Inquiry S&GAD and further action would be taken on receipt of inquiry reports. It was added that audit had verified partial recovery in respect of the para.

On the request of the Department, **the para was kept pending.**

**23. Para No.3 Page 16 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Irregular Payment Without Determining Istehqaq**

**Rs.0.341 Million.**

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**13.7.2004** The Department stated that Istehqaq certificates duly verified by the concerned Chairmen LZCs had been produced to Audit for verification.

On the verification and recommendation of audit, **the Committee settled the para.**

**24. Para No.4 Page 11 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Payment of Zakat Fund Without Istehaqaq Certificate Rs.4.620 million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.

**25. Para No.4 Page 7 of Audit Report for the year 1998-99; Irregular Payment to Zakat Clerks in Excess of Authorization Rs.0.752 Million.**

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**13.7.2004** The Department explained that according to the instructions issued by the Zakat & Ushr Division, Islamabad, the appointment of Zakat Clerks already appointed in excess of prescribed limit was permissible.

On the verification and recommendation of audit, **the para was settled.**

**26. Para No.4 Page 16 (Chapter-I Violation of Rules) of Audit Report for the year 1998-99; Payment Without Passing Resolution Rs.1.440 Million.**

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**13.7.2004** The Department stated that the relevant record had been produced to Audit for verification.

On the verification and recommendation of Audit, the **Committee settled the para.**

**27. Para No.4 Page 20 (Chapter-II Recoverable) of Audit Report for the year 1998-99; Non Surrender of Government Money Rs.4.337 Million.**

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**13.7.2004** The Department explained that one of 14 districts, 11 had produced record for verification whereby they had surrendered the amount in question to the Ministry of Religious Affairs.

Audit verified record involving Rs.2,929,850/- and suggested that regularization in respect of remaining amount was required.

The **para was kept pending** for appropriate action by the Department.

**28. Para No.5 Page 7 of Audit Report for the year 1998-99; Irregular Cash Payment Out of Zakat Fund Rs.1.061 million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.

**29. Para No.6 Page 8 of Audit Report for the year 1998-99; Irregular Transfer of Zakat Fund To The Accounts of Secretary Punjab Zakat Department Lahore For The Building Of Vocational Training Institute Rs.223,097 million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.

**30. Para No.7 Page 8 of Audit Report for the year 1998-99; Un justified Drawl of Zakat Fund Out of Freeze Account Rs.0.393 million.**

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**13.7.2004** The Department explained that matter involved in the aforesaid para had been referred for inquiry to Member Inquiry S&GAD and further action would be taken on receipt of inquiry reports. It was added that audit had verified partial recovery in respect of the para.

On the request of the Department, the **para was kept pending.**

**31. Para No.8 Page 9 of Audit Report for the year 1998-99; Irregular Direct Payment to Deeni Madaris/SWO Rs.2.822 million.**

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**13.7.2004** The Department explained that the Zakat fund being the federal fund was operated under the Federal Laws. Therefore, certain matters involved in the aforesaid para had been referred to the Ministry of Religious Affairs, Zakat & Ushr, Government of Pakistan, Islamabad for regularization of expenditure by the Central Zakat Council. It was added that audit had verified partial recovery in respect of the para.

The **Committee kept the para pending** for regularization by the competent authority in the Federal Government.