



REPORT
of the
PUBLIC ACCOUNTS COMMITTEE-II
on
APPROPRIATION ACCOUNTS
of the
GOVERNMENT OF THE PUNJAB
And
REPORT
of the
AUDITOR-GENERAL OF PAKISTAN
2001-2002

PROVINCIAL ASSEMBLY OF THE PUNJAB

***REPORT OF THE
PUBLIC ACCOUNTS COMMITTEE-II
(2001-2002)***

August 2007

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P R E F A C E

The Appropriation Accounts, Finance accounts and Audit Report for the year 2001-2002 (comprising the following volumes) were referred by the Provincial Assembly through a motion in the House to the Public Accounts Committee-II on 8 September 2004:-

1. Appropriation Accounts
2. Finance Accounts
3. Appropriation Accounts of Govt. of the Punjab, Forest Department
4. Appropriation Accounts of Irrigation & Power and C&W Department
5. Regularity Audit Reports
6. Performance Audit Reports/Subject Study Reports
7. Special Audit Reports.

2. The Public Accounts Committee-II comprised the following members:-

- | | | |
|-----|---|-------------------|
| 1. | Mr Asif Saeed Khan Manais, MPA (PP-238) | Chairman |
| 2. | Sardar Hasnain Bahadur Dreshak,
Minister for Finance, Government of the Punjab | ex-officio Member |
| 3. | Makhdoom Syed Iftikhar Hassan Gillani, MPA (PP-267) | Member |
| 4. | Mr Najaf Abbas Sial, MPA (PP-83) | Member |
| 5. | Sardar Dildar Ahmed Cheema, MPA (PP-61) | Member |
| 6. | Sardar Muhammad Rafique Ahmad, MPA (PP-107) | Member |
| 7. | Ch. Mumtaz Hussain, MPA (PP-229) | Member |
| 8. | Malik Zulqarnain Dogar, MPA (PP-172) | Member |
| 9. | Syed Mujahid Ali Shah, MPA (PP-206) | Member |
| 10. | Ch Muhammad Shafique Anwar, MPA (PP-296) | Member |
| 11. | Makhdoom Syed Muhammad Mukhtar Hussain, MPA (PP-212) | Member |
| 12. | Mr Muhammad Ishaq Bucha, MPA (PP-198) | Member |
| 13. | Raja Muhammad Shafqat Khan Abbasi, Advocate, MPA (PP-1) | Member |
| 14. | Mr Tanvir Ashraf Kaira, MPA (PP-112) | Member |

3. On the expiry of the initial period of one year for submission of report of PAC-II to the Assembly, the time was extended upto 8 September 2006 and again upto 8 September 2007. During this period the Committee held 84 meetings for examination of the Appropriation Accounts and Audit Report for the year 2001-2002. The Committee also appointed two Sub-Committees, from time to time, for compliance of its directions and detailed examination of certain paras of the Audit Report.

4. This report of the Public Accounts Committee-II on the Appropriation Accounts and Audit Report for the year 2001-2002 comprises 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
August 2007**

**(Asif Saeed Khan Manais)
Chairman
Public Accounts Committee-II**

APPROPRIATION ACCOUNTS

Appropriation Accounts

GRANTS FINALLY SETTLED				
Grant No. & Title	Final Grant (Rs)	Actual Expenditure (Rs)	Excess/Saving (Rs)	Remarks
01-Opium	918,000	875,443	(-)42,557 (4.64%)	Minutes dated 24.07.2006 Issued vide No. PAP/PAC-II/SC-VII/ 2005/2518 dated 12-10- 2006
02-Land Revenue	12,311,000 542,651,000	93,608,750 93,608,750	(+)79,649,086 (646.97) (-)449,042,250* (82%)	Minutes dated 19.7.2006 Issued vide No. PAP/PAC-II/01-02/ 06/1396 dated 26-08-2006
5-Forests	568,769,000	550,921,456	(-)17,847,544 (3.14%)	Minutes dated 16.12.05 Issued vide No. PAP/PAC-II/01-02/2005/ 06/6048 dated 25-03-2006
08-Other Taxes & Duties	27,741,000	26,598,356	(-)1,142,644 (4.12%)	Minutes dated 29.3.2006, 24.7.2006 and 21.10.2006 Issued vide No. PAP/ PAC-II/SC-VII/2005/ 4343 dated 11-1-07
12-Jails & Convict Settlements	772,876,000	755,468,673	(-)17,407,327 (2.25%)	Minutes dated 30.5.2006 Issued vide No. PAP/PAC-II/01-02/ 2005/ 06/2447 dated 10-10-2006
13-Police	9,213,952,000	8,796,045,067	(-)417,906,933 (4.54%)	Minutes dated 30.5.2006 Issued vide No. PAP/PAC-II/01-02/ 2005/ 06/2447 dated 10-10-2006
14-Museum	12,067,000	12,057,219	(-)9,781 (0.08%)	Minutes dated 30.10.06 Issued vide No. PAP/PAC-II/01-02/ 2005/ 06/4345 dated 11-01-07
16-Health Services	3,346,826,000	3,787,791,919	(-)440,965,919 (13.18%)	Minutes dated 18.4.2006 Issued vide No. PAP/PAC-II/01-02/06/ 8001 dated 03-06-2006
18-Agriculture	1,476,695,000	1,465,728,721	(-)10,966,279 (0.74%)	Minutes dated 16.5.2006, 29.5.2007 Issued vide No. PAP/PAC-II/01-02/ 06/8 dated 04-07-2006
19-Fisheries	103,661,000	97,920,741	(-)5,740,259 (5.54%)	Minutes dated 16.12.2005 Issued vide No. PAP/PAC-II/01-02/2005/ 06/6048 dated 25-03-2006
20-Veterinary	496,213,000	663,258,406	(+)167,045,406 (33.66%)	Minutes dated 28.10.2006 Issued vide No. PAP/PAC-II/01-02/ 2005/ 06/4345 dated 11-01-07

24-Civil Works (Charged)		8,847,000	8,688,191	(-)158,809 (1.80%)	Minutes dated 18.10.2006 Issued vide No. PAP/PAC-II/01-02/2005/06/4319 dated 10-01-2007
26-Housing & Physical Planning		32,457,000	39,045,398	(+)6,588,398 (20.30%)	Minutes dated 29.11.2005, 24.04.2006, 30.10.2006 & 24.05.2007 Issued vide No. PAP/PAC-II/01-02/2005/06/4345 dated 11-01-07
28-Pensions		10,900,000,000	10,885,104,638	(-)14,895,362 (0.14%)	Minutes dated 17.5.2007 Issued vide No. PAP/PAC-II/01-02/2005/06/7726 dated 30-06-2007
29-Stationary & Printing		43,977,000	40,171,253	(-)3,805,747 (8.65%)	Minutes dated 19.7.2006 & 29.8.2006 Issued vide No. PAP/PAC-II/01-02/06/1396 dated 26-08-2006
30-Subsidies		2,500,000,000	2,500,000,000	NIL (0.00%)	Minutes dated 16.2.2006 Issued vide No. PAP/PAC-II/01-02/2005/06/6069 dated 27-03-2006
33-State Trading in Food, Grain & Sugar	Charged	2,886,024,000	3,074,464,356	(+)188,440,356 (6.53%)	Minutes dated 16.2.2006 Issued vide No. PAP/PAC-II/01-02/2005/06/6069 dated 27-03-2006
	Voted	31,065,266,000	23,510,395,572	(-)7,554,870,428 (24.32%)	
34-State Trading in Medical Stores & Coal		16,836,000	13,282,042	(-)3,553,958 (21.11%)	Minutes dated 18.4.2006 Issued vide No. PAP/PAC-II/01-02/06/8001 dated 03-06-2006
35-Loans to Government Servants		170,000,000 167,500,000	162,543,996 160,043,996	(-)7,456,004 (4.39%) (-)7,456,004* (4.45%)	Minutes dated 17.5.2007 Issued vide No. PAP/PAC-II/01-02/2005/06/7726 dated 30-06-2007
38-Agriculture Improvement & Research (Development)		132, 131,000	116,288,865	(-)15,848,135 (11.99%)	Minutes dated 16.5.06 and 29.5.2007 Issued vide No. PAP/PAC-II/01-02/2005/06/7754 dated 02-07-2007
40-Town Development		132,100,000 31,460,000	25,217,031 25,217,031	(-)106,882,969 (80.91%) (-)6,242,969* (19.84%)	Minutes dated 29.11.05 Issued vide No. PAP/PAC-II/01-02/06/5355 dated 28-02-2006
NIL-Floating Debt		17,084,214,000	14,575,000,000	(-)2,509,214,000 (14.69%)	Minutes dated 16.2.2006 Issued vide No. PAP/PAC-II/01-02/2005/06/6069 dated 27-03-2006

NIL-Permanent Debt	75,271,000	75,227,800	(-)43,200 0.06%	Minutes dated 17.5.2007 Issued vide No. PAP/PAC-II/01-02/2005/ 06/7726 dated 30-06-2007
NIL- Repayment of loans from the Federal Government	4,109,975,000	4,107,339,818	(-)2,635,182 (0.06%)	Minutes dated 17.5.2007 Issued vide No. PAP/PAC-II/01-02/2005/ 06/7726 dated 30-06-2007
NIL-Interest on Debt & Other Obligations	16,270,766,000	15,602,930,031	(-)667,835,969 (4.10%)	Minutes dated 17.5.2007 Issued vide No. PAP/PAC-II/01-02/2005/ 06/7726 dated 30-07-2007
NIL-Privy Purses	1,600,000	1,600,000	NIL (0.00%)	Minutes dated 30.12.2006 Issued vide No. PAP/PAC-II/01-02/2005/ 06/5933 dated 24-03-2007

***After Re-conciliation**

GRANTS SETTLED SUBJECT TO REGULARIZATION RE- APPROPRIATION/APPROVAL OF EXCESS BUDGET STATEMENT BY THE FINANCE DEPARTMENT				
Grant No. & Title	Final Grant (Rs)	Actual Expenditure (Rs)	Excess/Savings (Rs)	Remarks
3-Provincial Excise	15,662,000 15,662,000	14,473,279 24,123,279	(-)1,188,721 (7.59%) (+)8,461,279* (54.02%)	Minutes dated 24.7.2006 Issued vide No. PAP/PAC-II/SC-VII/ 2005/2518 dated 12- 10-2006
4-Stamps	47,357,000	48,837,700	(+)1,480,700 (3.13%)	Minutes dated 19.7.2006 Issued vide No. PAP/PAC-II/01-02/ 06/1396 dated 26-08- 2006
07-Charges on Account of Motor Vehicles Act	14,363,000 14,363,000	11,841,853 11,624,853	(-)2,521,147 (17.55%) (-)2,738,147* (19.06%)	Minutes dated 24.7.2006 Issued vide No. PAP/PAC-II/SC-VII/ 2005/2518 dated 12- 10-2006
21-Cooperation	22,550,000	57,935,720	(+)35,385,720 (156.92%)	Minutes dated 16.5.2007 Issued vide No. PAP/PAC-II/01- 02/2005/06/7726 dated 30-06-2007

The following grants were partly settled/kept pending mainly due to the reason that reconciliation of figures was not carried out by the administrative departments.

GRANTS PARTLY SETTLED/PENDING					
Grant No. & Title		Final Grant (Rs)	Actual Expenditure (Rs)	Excess/Savings (Rs)	Remarks
06-Registration		1,412,000	2,708,875	(+)1,296,875 (91.58%)	Minutes dated 19.7.06 Issued vide No. PAP/PAC-II/01-02/06/1396 dated 26-8-06
9-Irrigation & Land Reclamation		5,374,262,000	3,386,868,552	(-)1,987,393,448 (36.97%)	Minutes dated 29.3.06, 29.8.2006, 21.10.2006 & 30.11.06 Issued vide No. PAP/PAC-II/01-02/2005/06/4823 dated 06-02-2007
10- General Administration	Charged	91,594,000	70,633,197	(-)20,960,803 (22.88%)	Minutes dated 29.11.05, 30.11.06, 30.12.06, 18.4.2007, 26.2.2007, 19.7.06, 18.10.06, 24.7.06, 17.5.2007, 30.5.06, 25.2.06, 16.8.06, 28.12.06, 27.4.06, 29.5.2007, 16.12.2005 & 29.3.2006 Issued vide No. PAP/PAC-II/01-02/2005/06/7287 dated 09-05-2006
	Voted	4,223,649,000	1,871,083,650	(-)2,352,565,350 (55.70%)	
11-Administration of Justice		907,960,000	833,602,066	(-)74,357,934 (8.19%)	Minutes dated 30.11.2006 Issued vide No. PAP/PAC-II/ 01-02/2005/06/4823 dated 06-2-2007
15-Education		3,401,776,000	4,621,797,072	(+)1,220,021,072 (35.86%)	Minutes dated 25.2.2006, 29.7.2006 & 25.1.2007 Issued vide No. PAP/PAC-II/01-02/2005/06/5991 dated 27-03-2007
17-Public Health		131,226,000	80,411,642	(-)50,814,358 (38.72%)	Minutes dated 27.4.06, 30.10.06, 28.12.2006 & 24.5.2007 Issued vide No. PAP/PAC-II/01-02/ 2005/06/196 dated 12-07-2007

22-Industries		1,155,007,000	1,070,986,635	(-)84,020,365 (7.27 %)	Minutes dated 29.8.06 & 16.3.2007 Issued vide No. PAP/PAC-II/01-02/2005/06/6887 dated 12-05-2007
23-Miscellaneous		350,394,000	341,747,115	(-)8,646,885 (2.47%)	Minutes dated 16.8.06, 30.10.06 & 16.12.05 Issued vide No. PAP/PAC-II/01-02/2005/06/6048 dated 25-03-2006
24-Civil Works	(Voted)	532,005,000	404,655,186	(-)127,349,814 (23.94%)	Minutes dated 29.11.2005, 18.10.06, 27.4.2006, 29.3.2006 & 16.3.2007 Issued vide No. PAP/PAC-II/01-02/2005/06/6887 dated 12-05-2007
25-Communications		2,171,503,000	750,236,926	(-)1,421,266,074 (65.45%)	Minutes dated 18.10.2006, 16.3.2007 & 17.3.2007 Issued vide No. PAP/PAC-II/01-02/2005/06/6887 dated 12-05-2007
27- Relief		30,688,000	28,355,250	(-)2,332,750	Minutes dated 19.7.06 Issued vide No. PAP/PAC-II/01-02/06/1396 dated 26-8-06
31-Miscellaneous		9,323,055,000	2,109,175,681	(-)7,213,879,319 (77.38%)	Minutes dated 28.4.06 & 30.12.2006 Issued vide No. PAP/PAC-II/01-02/2005/06/5933 dated 24-03-2007
32-Civil Defence		20,647,000	13,137,448	(-)7,509,552 (36.37%)	Minutes dated 30.5.06 Issued vide No. PAP/PAC-II/01-02/2005/06/2447 dated 10-10-2006
36-Development		2,150,161,000	2,574,684,170	(+)424,523,170 (19.74%)	Minutes dated 25.2.06, 30.12.06, 24.5.2007, 25.1.2007, 27.4.06, 18.4.06, 28.12.06, 21.10.06, 28.10.06, 16.12.05 & 29.3.2006 Issued vide No. PAP/PAC-II/01-02/2005/06/7287 dated 09-05-2006

37-Irrigation Works	2,224,724,000	1,243,599,582	(-)981,124,418 (44.10%)	Minutes dated 29.3.06 & 21.10.2006 Issued vide No. PAP/PAC-II/SC-VII/ 2005/4343 dated 11- 01-2007
41-Roads & Bridges (Development)	2,006,299,000	988,872,759	(-)1,017,426,241 (50.71%)	Minutes dated 18.10.06 & 16.3.2007 Issued vide No. PAP/PAC-II/01-02/ 2005/06/6887 dated 12-05-2007
42-Govt. Buildings	3,119,633,000	642,751,805	(-)2,476,881,195 (79.40%)	Minutes dated 29.11.05, 18.10.2006, 27.04.06 & 24.5.2007 Issued vide No. PAP/PAC-II/01-02/ 2005/06/196 dated 12- 07-2007
43-Loans to Municipalities Autonomous Bodies	2,869,530,000	1,833,752,000	(-)1,035,778,000 (36.10%)	Minutes dated 27.9.06 & 29.12.2006 Issued vide No. PAP/PAC-II/01-02/ 2005/06/5933 dated 24-03-2007

AGRICULTURE

The paras were discussed in the meetings of PAC-II held on 16.05.2006, 17.05.2006, 18.05.2006, 29.05.2006, 31.08.2006 & 29.05.2007.

Audit Paras (Commercial) for the year 2001-2002

1. **Para No.1 Pages 9 & 10 of Audit Report for the year 2001-2002; Working Results**
2. **Para No.3 Pages 12 & 13 of Audit Report for the year 2001-2002; Working Results**

18.05.2006 Audit had pointed out that financial statements of AE, Bhawalpur & DG Khan for the year 2001-2002 were not prepared in proper accounting format.

The Department explained that financial statements were prepared according to the generally accepted principles and management was making efforts to utilize these statements for future planning with the over all mission of economy, efficiency and sustainability of the services being provided by the Department. Whereas, inspite of increase in expenditure due to heavy repairs and increase in POL prices, there was positive improvement in progress.

The Committee **settled the paras** with the directions that department will improve monitoring system and performance.

3. **Para No.2 Page 11 of Audit Report for the year 2001-2002; Working Results**
4. **Para No.4 Page 13 of Audit Report for the year 2001-2002; Working Results**
5. **Para No.16 Page 21 of Audit Report for the year 2001-2002; Working Results**
6. **Para No.22 Page 27 of Audit Report for the year 2001-2002; Working Results**
7. **Para No. 30 Pages 33 of Audit Report for the year 2001-2002; Working Results**

18.05.2006 Audit had pointed out that depreciation of assets was not calculated in the proper manner.

The Department explained that depreciation was calculated machine-wise instead of accumulated basis and it had planned to develop a software for scientific and modern management of accounts/stores.

The paras were conditionally settled subject to verification of relevant record by audit.

8. **Para No. 5 Pages 14 & 15 of Audit Report for the year 2001-2002; Working Results**

9. Para No.11 Pages 18, 19 & 20 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that bulldozer were being utilized for de-silting of canals, flood emergency and removal of encroachments etc. rather than for the agricultural purposes.

The Department explained that bulldozers were used for the de-silting of canals, flood emergency work and removal of encroachments etc. on hire charges basis and rates were fixed by the Finance Department. However, the increase in the loss of the formation was mainly due to increase in the prices of spare parts, POL and pay & allowances of the staff which were unavoidable.

The Committee **settled the paras** with the directions that in future:-

- (a) while giving the bulldozers to the Department, the hire charges of bulldozers for removal of encroachments should be received in advance and
- (b) priority should always be given to the farmers for utilization of machinery in the agriculture field.

10. Para No.6 Pages 15 & 16 of Audit Report for the year 2001-2002; Working Results

18.05.2006 The Department explained that documents/acknowledgements for stores valuing Rs.8.150 million received from the other divisions and stores amounting to Rs.1.538 million issued to other divisions were available and had been properly accounted for in the proper stock book and the facts had been got verified by audit.

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

11. Para No.7 Page 16 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that fixed assets register had not been prepared properly.

The Department explained that fixed assets register had been prepared on the format provided by the commercial audit Department and the amount of fixed assets had been properly depicted in the financial statements which had been got verified by audit.

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

12. Para No.8 Page 16 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that depreciation of assets was not calculated properly.

The Department explained that depreciation of assets was now being calculated machine-wise and not on accumulated basis which had been got verified by audit.

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

13. Para No.9 Page 16 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that management of stores was required to be done on modern and scientific lines.

The Department explained that software for scientific and modern management of stores would be prepared through ADP 2006-2007.

The Committee accepted the departmental contention and **settled the para.**

14. Para No.10 Page 17 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that accounts were not provided within due dates.

The Department admitted that accounts for the year 2001-02 were due on 15-01-2003 but were submitted on 14-2-2003. However, the same had now been got verified by audit.

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

15. Para No.12 Page 20 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that combined harvesters were deteriorating day by day and causing heavy revenue loss.

The Department explained that machines in question had been leased out during the year 1998-99 and 1999-2000 and earned a sum of Rs. 3.138 million. However, the machines were not in operating condition and required heavy repairs. Moreover, Provincial Disposal Committee was making efforts to dispose off the non-operating machines and concurrence of Finance Department was required for the purpose.

The Committee directed the Finance Department to pursue the matter vigorously and **the para was kept pending.**

16. Para No.13 Page 20 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that net losses of AE, Gujranwala increased during 2000-01 as compared to the previous year.

The Department explained that loss was mainly due to increase in consumption of stores, POL and spare parts which was beyond the control of management. Heavy expenditure was incurred on repair & maintenance of bulldozers which had covered their economic lives and these facts had been got verified by audit.

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

17. Para No.14 Page 20 of Audit Report for the year 2001-02; Working Results

18.05.2006 Audit had pointed out that withdrawals were not got verified/reconciled from the DAO/Treasury.

The Department explained that the amount of withdrawal from the treasury and remittance into the treasury for the year 1999-2000 and 2000-01 had been reconciled with the concerned District Accounts Officer and got verified by audit.

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

18. Para No.15 Page 20 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that bulldozers valuing Rs. 397,000/- alongwith POL were transferred to other divisions but receipts for the same were not acknowledged.

The Department explained that bulldozer NKD-308 and POL valuing Rs. 102,509/- was transferred to DG Khan Division and was properly got acknowledged by the concerned office which had been got verified by audit.

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

19. Para No.17 Page 22 of Audit Report for the year 2001-2002; Loss of Rs. 1.578 million due to damage/shortage of spares of combined Harvesters and Dozers

18.05.2006 The Department explained that the matter for recovery on account of damaged/missing parts of combine harvester from the lessees had been referred to EDO (R), Gujranwala and an amount of Rs.520,941/- was still outstanding.

After detailed consideration of the matter, the Committee directed the Department to expedite the recovery of public money through District Coordination Officer, Gujranwala under intimation to PAC and **the para was kept pending.**

20. Para No.18 Page 23 of Audit Report for the year 2001-2002; Working Results**21. Para No.19 Page 24 of Audit Report for the year 2001-2002; Working Results**

18.05.2006 Audit had pointed out that accounts for the year 2001-02 were not submitted by the Department by the target date.

The Department explained that accounts for the year 2001-02 were due on 15.1.2003 and submitted on 15.4.2003 which had now been got verified by audit. In future, Accounts would be submitted on due dates.

On the recommendation of audit, **the paras were settled.**

22. Para No.20 Pages 25 & 26 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that bulldozer were being utilized for desilting of canals, flood emergency and removal of encroachments etc. rather than for the agricultural purposes and the receivable accounts had not been mentioned in the balance sheet and the financial statements lacked the requisite details. Moreover, the profit of the formation was continuously decreasing.

The Department explained that financial statement were prepared on generally accepted format and the organization earned a net profit of Rs. 4.143million during 2001-02 as compared to 6.020 million in 2000-2001 and Rs. 10.533million in 1999-2000. The main reasons for decrease in profit was increase in consumption of POL, spare parts and workshop material because 11 No. of bulldozers were replaced during the year and prices of POL, spare parts and wages of the operational staff increased which were inevitable.

The Committee was not satisfied with the explanation of department and directed it to hold an inquiry into the matter and submit report within 90 days under intimation to the PAC.

The para was kept pending.

23. Para No.21 Page 27 of Audit Report for the year 2001-2002; Working Results.

18.05.2006 Audit had pointed out doubtful withdrawal from the treasury and remittances into government treasury.

The Department explained that an amount of Rs. 41.201million was withdrawn and Rs.13.533 million as deposited into government treasury during the year 2001-02 which had been got verified by concerned DAO and audit.

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

24. Para No.23 Pages 28 & 29 of Audit Report for the year 2001-2002; Working Results

18.05.2006 The Department explained that financial statements were being prepared on generally accepted format and all basic information was depicted in them. The cost of sales including operation expenditure consumption of POL etc. were fully depicted in the financial statement and the division earned a net profit of Rs. 4.373million during 2001-02 and facts had been got verified by audit.

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

25. Para No.24 Page 29 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that due to huge accumulation of spares and stores, interest on capital also increased during the year 2000-01.

The Department explained that costly spare parts were usually imported in bulk and kept reserved to meet the major repair of bulldozers which had covered their normal economic life. During the year 2001-02 the undercarriage component worth Rs. 5.06million and cater pillar worth Rs. 1.89million were procured by the department which were required to be fitted by the engineers of supplying firms within two months. The same was done within the prescribed time period and required inventory was available for verification.

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

26. Para No.25 Page 29 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out non-verification/reconciliation of withdrawal & remittances.

The Department explained that details of withdrawal of Rs. 43.113million and remittances of Rs. 14.342million had been reconciled by the DAO and requisite record was available for verification.

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

27. Para No.26 Page 30 of Audit Report for the year 2001-2002; Working Results

18.05.2006 The Department explained that accounts were prepared on proper accounting format and the depreciation was calculated machine-wise which had been got verified by audit.

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

28. Para No.27 Pages 31 & 32 of Audit Report for the year 2001-2002; Working Results

18.05.2006 The Department explained that cost of sales including operational expenditure, consumption of POL and spare parts were fully depicted in the financial statements and necessary explanatory notes had also been incorporated in the statement. Moreover, the details of receipts of spare parts/store valuing Rs. 4.848million were also available which had been got verified by audit.

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

29. Para No.28 Pages 32 & 33 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out non-recovery of hire charges on account of bulldozers/tractors from the zimandars.

The Department explained that recovery pertained to the period prior to 1969 and an amount of Rs. 17.031 million was recoverable from 12,000 beneficiaries. However, an amount of Rs. 9.976million was recovered till 2001 and party-wise registered notices were issued to the defaulters for recovery of outstanding dues along-with interest and revenue authorities of 5 Districts had been approached for balance recovery as arrears of land revenue.

The para was kept pending with the directions that department should devise an incentive based recovery scheme and effect recovery at the earliest.

30. Para No.29 Pages 33 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out non-verification/reconciliation of withdrawal and remittances.

The Department explained that withdrawal of Rs. 38.149million and remittance of Rs.12.687 million had been verified by the DAO and requisite record had been got verified by audit.

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

31. Para No. 31 Pages 34 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that AE(WD) Faisalabad did not submit the accounts for the year 1994-95 to 2001-02 by the target date.

The Department explained that after the segregation of Agricultural Engineering (Well Drilling) Faisalabad from Agricultural Engineering (Field) during 1994-95, the commercial audit of Well Drilling Section was not conducted upto 1999-2000 due to which commercial accounts were not compiled. Now the same had been prepared and got verified by audit.

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

32. Para No.32 Page 35 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that AE(WD) Lahore did not submit the accounts for the year 1994-95 to 2001-02 by the target date.

The Department explained that AE(WD) Lahore was established w.e.f. 1-7-1999 and the accounts for 1999-2000 to 2004-05 had been prepared and got verified by audit.

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

33. Para No.33 Page 36 of Audit Report for the year 2001-2002; Loss of Rs. 477,578/- Due to Theft of Boring Plant and non-recovery from Zamindar

18.05.2006 The Department explained that after deposit of requisite rent, the bore machine was shifted to the farmers and during the work the Bore Machine was stolen along with the pipe and filter of zimandar. A case was got registered vide FIR dated 20-8-1996. The Deputy Collector declared the amount of recovery as arrears of land revenue from the beneficiary Mr. Tahir Mehmood Khan. However, the zimandar filed the writ petition in the Honourable High Court, Rawalpindi Bench and got status-quo against the recovery and efforts were being made for early finalization of the case.

The para was kept pending being subjudice.

34. Para No.34 Page 37 of Audit Report for the year 2001-2002; Working Results

18.05.2006 The Department explained that the requisite accounts had been prepared and got verified by audit.

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

35. Para No.38 Pages 40 & 41 of Audit Report for the year 2001-2002; Working Results

36. Para No.39 Page 41 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out decrease in the efficiency and profit of Punjab Seed Corporation.

The Department explained that sale of seed decreased due to increase in the sale rate of cotton lint and decrease in quantity of cotton and wheat seed. The main reason of decrease in sale of seed farms was due to unrest created by Pattdar at Seed Farm Khanaiwal as they forceably lifted all the produce. Later on PSC recovered the wheat seed valuing Rs. 4.39million and this quantity of wheat seed was disposed off during the year 2002-03. Moreover, audit had not taken into consideration the stock valuing Rs. 37million lying in the Store.

The Committee directed that recovery of outstanding dues be expedited and Punjab Seed Corporation should take necessary measures to facilitate the farmers and minimize the operational cost and **the paras were settled.**

37. Para No.40 Page 41 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that profit of PSC decreased by 6.99% as compared to the previous year despite incurrence of expenditure on promotion and publicity.

The Department explained that expenditure on promotion and publicity increased due to the prize distribution scheme among the dealers/growers, increase in the rates of electronic and print media and tuff competition with the private sector. Moreover, the un-

sold cotton seeds stock on 30-6-2002 was sold for Rs. 34.85million as compared to that of previous year amounting to Rs. 2.33million.

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

38. Para No. 41 Pages 41 & 42 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that PSC had awarded the facility of reimbursement of medical charges to its employees despite the adoption of government pay scales.

The Department explained that Punjab Seed Corporation adopted government pay scales in 1976 and since then medical reimbursement facility was provided to the employees with approval of the Board of Directors.

The Committee was not satisfied with the explanation of the Department and directed that a copy of requisite act in respect of PSC should be provided to Finance Department for advice in the matter and **the para was kept pending.**

39. Para No.42 Page 42 of Audit Report for the year 2001-2002; Working Results

18.05.2006 Audit had pointed out that an amount of Rs. 5.919million was recoverable from various government departments.

The Department explained that partial recovery amounting to Rs. 3.459million had been effected and the balance amount of Rs. 2.46 million was recoverable from PAD & SC, Agricultural Department and Food Department, whereas an amount of Rs. 0.14million related to the court cases which were under process. The department assured the Committee that balance recovery would be effected at the earliest.

The Committee **kept the para pending** with the directions that department should expedite the balance recovery.

40. Para No.35 Page 38 of Audit Report for the year 2001-2002; Working Results

41. Para No.36 Page 38 of Audit Report for the year 2001-2002; Working Results

42. Para No.37 Page 39 of Audit Report for the year 2001-2002; Working Results

18.05.2006 The Department explained that departmental contention had been accepted and the requisite record had been got verified by audit.

On the recommendation of audit, **the paras were settled.**

Audit Paras (Civil) for the year 2001-2002

1. **Para No.1 Pages 8 & 9 of Audit Report for the year 2001-2002; Non-accountal/less accountal of watercourse material costing Rs.7,382,018/-**

(1.1) W. M. C. Bhawalpur -Rs.4,043,604/-

17.05.2006 The Department explained that after scrutiny of relevant record, it was revealed that a sum of Rs. 2,061,551/- had been recovered and material valuing to Rs. 68,543/- had been received back whereas the remaining amount was outstanding against the various officers/officials who had been charge-sheeted and inquiry proceeding against them were under process.

The para was kept pending with the direction that Department should finalize the matter within 30 days.

2. **Para No.1.2 Pages 8 & 9 of Audit Report for the year 2001-2002; Non-accountal/less accountal of watercourse material costing Rs.7,382,018/-**

W. M. C. Bhawalpur -Rs.2,463,591/-

3. **Para No.6.1 Pages 15 & 16 of Audit Report for the year 2001-2002; Recovery of Rs.80,981,773/- on account of excess lining construction than 30%**

W. M. C. Bhawalpur -Rs.80,805,439/-

17.05.2006 The Department explained that the unspent material was required to be returned back by the concerned quarters at their own cost, however, the same was not returned back. After detailed scrutiny of record, partial recovery had been effected and departmental inquiries were being conducted into the matter and efforts were being made for recovery of outstanding dues.

The paras were kept pending with the directions that inquiry/recovery proceedings should be finalized within 60 days.

4. **Para No.1 Pages 8 & 9 of Audit Report for the year 2001-2002; Non-accountal/less accountal of watercourse material costing Rs.7,382,018/-**

(1.3) W. M. C. Rahim Yar Khan -Rs.256,856/-

(1.5) W. M. C. Rahim Yar Khan -Rs.59,252/-

17.05.2006 The Department explained that the unspent material was required to be returned back by the concerned quarter at their own cost. However, the same was not

returned back and departmental inquiries were conducted and partial recovery had been effected. However, an official named Mr. Rizwan Naseer, ex-Supervisor was absconding and repeated reminders had been issued to the concerned District Collector for effecting balance recovery as arrears of land revenue.

The paras were kept pending with the directions that inquiry/recovery proceedings should be finalized at the earliest.

(1.4) W. M. C. Rahim Yar Khan -Rs.147,602/-

17.05.2006 The Department explained that an amount of Rs. 139,202/- had been recovered whereas balance recovery of Rs. 8,400/- was outstanding against Mr. Rizwan Naseer, ex-Supervisor field Team Khanpur, who had been terminated and efforts were being made for recovery as arrears of land revenue but the officials had reportedly fled away.

The Committee reduced the para to the extent of recovery verified by audit and the remaining amount **was kept pending** for balance recovery as arrears of land revenue.

(1.6) W. M. C. DG Khan -Rs.58,465/-

17.05.2006 The Department explained that recovery of Rs.51,201/- had been effected and material worth Rs.1,396/- had been received back and consumed, whereas there was duplication of Rs.5,870/-.

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

(1.7) WMC Area Team (T) Layyah -Rs.54,733/-

17.05.2006 The Department explained that total recovery had been effected and got verified by audit.

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

(1.8) WMC, DG Khan -Rs.52,652/-

17.05.2006 The Department explained that partial recovery had been effected and material valuing Rs.27,354/- had been consumed and got verified by the consultant. However, audit was not satisfied with departmental explanation.

The Committee **kept the para pending** with the directions that department should thrash out the facts within 30 days keeping in view the audit observation.

(1.9) W. M. C. Area Team (T) Layyah -Rs.45,319/-

17.05.2006 The Department explained that completion report of all the water courses where material was shifted/utilized had been got verified by NESPAK and audit as well.

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

(1.10) WMC DG Khan -Rs.35,625/-

17.05.2006 The Department explained that recovery amounting to Rs.10,745/- had been deposited into government treasury whereas material worth Rs.24,880/- had been consumed and got verified by the consultant and audit.

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

(1.11) WMC Bahawalnagar-Rs.31,291/-

17.05.2006 The Department explained that total recovery amounting to Rs. 31,291/- had been effected and got verified by audit.

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

(1.12) W. M. C. Area Team (T) Layyah -Rs.15,030/-

17.05.2006 The Department explained that total recovery had been effected and got verified by audit.

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

(1.13) WMC, DG Khan -Rs.117,998/-.

17.05.2006 The Department explained that actual recovery involved in the para was amounting to Rs.111,248/-, out of which a sum of Rs.19,838/- had been recovered whereas, material amounting to Rs.91,703/- had been consumed and got verified by the consultant and audit.

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

5. Para No.2 Pages 10 & 11 of Audit Report for the year 2001-2002; Non-Deposit of Receipts into Govt. Treasury of Rs.1,220,679/-.

(2.1) W. M. C. Gujrat -Rs.1,055,345/-

17.05.2006 The Department explained that the responsible person who had not deposited the receipts into government treasury, had been dismissed from service. However, later on as per decision of the PST the accused official had been reinstated and *denovo* inquiry was under process in the matter.

The para was kept pending with the directions that inquiry be finalized within 60 days.

(2.2) W. M. C. Multan -Rs.165,334/-

17.05.2006 The Department explained that an amount of Rs.168,721/- had been recovered and the responsible person had been proceeded against under the E&D Rules.

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

6. Para No.3 Page 11 of Audit Report for the year 2001-2002; Loss to Government by Showing Less Crop Producer Rs.220,420/-.

16.05.2006 The Department explained that a detailed inquiry was conducted into the matter and no charges could be proved against the accused officer. However, the competent authority had awarded minor penalty to him.

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

7. Para No.4 Pages 12 & 13 of Audit Report for the year 2001-2002; Excess Payment of Rs.104,273/- on Irregular Award of Advance Increments.

(Crop Reporting Service)

16.05.2006 Audit stated that departmental contention had been verified in the light of PST decision dated 5.3.2003.

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

8. Para No.4 Pages 12 & 13 of Audit Report for the year 2001-2002; Excess Payment of Rs.104,273/- on Irregular Award of Advance Increments.

(Extension Wing)

9. Para No.12 Pages 21 & 22 of Audit Report for the year 2001-2002; Non-Deposit of Cost of Auctioned Fodder Rs.63,814/-.

16.05.2006 The Department explained that necessary action had been completed and facts had been got verified by Audit in respect of both the above paras.

On the recommendation of audit, **the paras were settled.**

10. Para No.5 Pages 14 & 15 of Audit Report for the year 2001-2002; Less recovery of cost sharing from water users amounting to Rs.198,799,716/-.

(5.1) W. M. C. (O.F.W.M) Sheikhupura -Rs.66,228,090/-

(5.4) W. M. C. Multan -Rs.16,694,216/-

(5.5) W. M. C. T.T. Singh -Rs.15,459,294/-

(5.6) W. M. C. Gujranwala -Rs.13,533,005/-

(5.7) W. M. C. Sargodha -Rs.13,101,437/-

(5.8) W. M. C. Vehari -Rs.9,615,612/-

(5.9) W. M. C. Gujrat -Rs.8,450,621/-

(5.10) W. M. C.(O.F.W.M), Kamalia -Rs.1,722,244/-

17.05.2006 The Department explained that the matter for recovery of cost sharing from water users had been referred to the Revenue Authorities and repeated reminders for the purpose had been issued to the concerned Executive District Officers (Rev.) to expedite the matter.

The Committee expressed its concern as the process of recovery in respect of aforesaid paras was quite unsatisfactory. After detailed discussion on the issue, the Committee directed that concerned Executive District Officers (Rev) should be directed to attend the meeting of PAC-II fixed for 29th May 2006 to explain the latest position of recovery in their respective districts and apprise the Committee of their efforts made to recover the public money.

The paras were kept pending.

29.05.2006 As per directions of the PAC-II, given in its meeting held on 17.5.06, the concerned Executive District Officer (Revenue) of the Districts involved in above paras attended the meeting to explain the latest position of recovery in their respective districts. The Committee desired that Executive District Officers (Revenue) should intensify their efforts to recover the outstanding amount involved in the aforesaid paras. The concerned EDOs (Rev) assured the Committee that the outstanding amount would be recovered within two months.

After detailed consideration of the matter, the Committee decided that the concerned Executive District Officer (Rev) along with District Officer (R) should attend the meeting of PAC-II fixed for 31st August 2006 to explain the latest position of recovery in their respective districts and apprise the Committee of their efforts made to recover the public money.

31.08.2006 The Executive District Officers/District Officers (Revenue) informed the Committee that District Officer (OFWM) of their respective districts had not provided the complete Asamiwar list of the defaulters. As such, recovery of outstanding dues could not be expedited.

The Committee expressed its displeasure on officers of Agriculture Department for not complying with its directions given in its meeting held on 29-30 May 2006. The

Committee desired that its displeasure on District Officer (OFWM), Gujrat, Sheikhpura, Sargodha, Multan, T.T. Singh, Vehari, Gujranwala, Nankana Sahib, Lodhran and Mandi Baha ud Din be conveyed through the Administrative Secretary. The Committee further directed that the aforesaid officers should provide the Asamiwar list of defaulters complete in all respects, within 7 days to the Executive District Officer (Revenue) of their respective district.

The Executive District Officer/District Officer (Rev), Lodhran informed the Committee that he had held numerous meetings to review the progress of recovery as per directions of Public Accounts Committee-II, given in its meeting held on 29-30 May 2006 but the District Officer (OFWM) Lodhran did not attend the said meetings. Moreover, the Asamiwar lists of defaulters were incomplete lacking the requisite details.

The Committee took very serious notice of the casual attitude and mis-stating the facts before the Committee by the aforesaid officer towards the PAC business. The Committee desired that its displeasure be conveyed to the District Officer (OFWM), Lodhran through the Administrative Secretary and he should be strictly directed to cooperate with the Revenue Authorities for recovery of outstanding dues. Moreover the Committee appreciated the efforts made by the Executive District Officer (Rev) Gujrat to expedite the recovery of outstanding dues.

The paras were kept pending

(5.2) W. M. C. Lahore -Rs.36,348,427/-

17.05.2006 The Department explained that as per Board of Revenue Notification No.897-98/BR/LR-IV/2002 dated 19.8.1989, the matter for recovery on accounts of water course construction material had been referred to the District Collector. However, recovery amounting to Rs.13,047,727/- was still outstanding.

After detailed consideration, the Committee directed that District Collector, Lahore be requested to expedite the matter for recovery of outstanding dues.

The para was kept pending.

(5.3) W. M. C.(O.F.W.M), Jhang -Rs.17,646,770/-

17.05.2006 The Department explained that as per Board of Revenue Notification No.897-98/BR/LR-IV/2002 dated 19.8.1989, the matter for recovery on accounts of water course construction material, had been referred to the District Collector. However, recovery amounting to Rs.8,394,133/- was still outstanding.

After detailed consideration, the Committee directed that District Collector, Jhang be requested to expedite the recovery of outstanding dues.

The para was kept pending.

- 11. Para No.6.2 Pages 15 & 16 of Audit Report for the year 2001-2002; Recovery of Rs.80,981,773/- on account of excess lining construction than 30%**

WMC, Bahawalnagar-Rs.176,334/-

17.05.2006 The Department explained that lining on water course No.35700/R and 134-M was less than the permissible limit and for balance amount of Rs.33,222/-, notices had been issued to the concerned farmers/shareholders for payment of outstanding dues.

The para was conditionally settled subject to balance recovery and its verification by Audit.

- 12. Para No.7 Pages 16 & 17 of Audit Report for the year 2001-2002; Wasteful expenditure of Rs.277,897/- on Account of excessive purchase of Nakkas.**

(7.1) W. M. C. Area Team (T) Layyah -Rs.246,725/-

17.05.2006 The Department explained that the Naccas were dead stock items and were not perishable and all the stock of Field Team Karor had been shifted to Kot Adu and got consumed on different water courses.

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

(7.2) WMC Bahawalnagar – Rs.31,172/-

17.05.2006 The Department explained that total recovery amounting to Rs.31,172/- had been effected and got verified by audit.

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

- 13. Para No.8 Pages 17 & 18 of Audit Report for the year 2001-2002; Non-Deposit of Rs.686,293/- Realized on Account of Laser Land Leveling Charges**

(8.1) W. M. C. Lahore -Rs.225,709/-

17.05.2006 The Department explained that an amount of Rs.4,050/- had been recovered whereas efforts were being made for balance recovery. However, some delay in the matter occurred due to closure of field working under National Drainage Project.

The para was kept pending with the directions that Department should thrash out the facts and recover the outstanding dues within 60 days.

(8.2) W M C Bahawalnagar-Rs.51,240/-

17.05.2006 The Department explained that total recovery had been effected from the concerned farmers and deposited into government treasury.

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

(8.3) W. M. C. Gujrat -Rs.124,644/-

17.05.2006 The Department explained that an amount of Rs.118,944/- had been recovered while balance amount of Rs.5,700/- was not due as the tractor was not in operation and the facts had been got verified by audit.

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

(8.4) W. M. C. Sahiwal -Rs.70,300/-

17.05.2006 The Department explained that actual recovery against Mr. Ejaz Hussain Shah was amounting to Rs.62,650/- instead of Rs.66,700/- which had been deposited by him into government treasury and government had imposed major penalty of compulsory retirement upon him vide orders dated 6-4-2005. The remaining amount of Rs.3,600/- was wrongly calculated against tractor No. SLH-4457. The actual amount was Rs.1500/- which had been recovered and deposited into government treasury.

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

(8.5) W. M. C. Rahim Yar Khan -Rs.98,148/-

17.05.2006 The Department explained that total recovery had been effected from the formers and deposited into government treasury.

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

(8.6) WMC (T) F.T.C, DG Khan -Rs.91,800/-

17.05.2006 The Department explained that an amount of Rs. 15,000/- pertaining to rental charges had been recovered, whereas the recovery of remaining amount was still outstanding and efforts were being made for the balance recovery.

The Committee was not satisfied with the explanation of the department given during the meeting and directed that Administrative Secretary should look into the matter and take necessary action accordingly within 90 days.

The para was kept pending.

(8.7) W. M. C. Muzzafargarh -Rs.7,652/-

17.05.2006 The Department explained that total recovery had been effected and deposited into government treasury which had been verified by audit.

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

(8.8) W M C Area Team (T) Layyah -Rs.16,800/-

17.05.2006 The Department explained that total outstanding amount had been recovered and got verified by audit.

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

- 14. Para No.10.2 Pages 19 & 20 of Audit Report for the year 2001-2002; Non-recovery of Rs.90,321/- from the defaulting officials.**
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W. M. C. Lahore -Rs.35,796/-

17.05.2006 The Department explained that total recovery amounting to Rs.38,000/- (instead of Rs.35,796/-) had been effected and deposited into government treasury which had been got verified by audit.

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

- 15. Para No.11 Pages 20 & 21 of Audit Report for the year 2001-2002; Doubtful change of speedo – Meter of Government tractor No.RNL-4401 recovery worth Rs.93,600/-**
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17.05.2006 The Department explained that a detailed inquiry was conducted into the matter and as per findings thereon, the speedo-meter was replaced after all the codal formalities and the tractor remained idle due to defective speedo-meter. All these facts had been got verified by audit.

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

- 16. Para No.14 Pages 24 & 25 of Audit Report for the year 2001-2002; Loss Being Caused to the Government Due to Non-Occupation of Designated Residences**
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- 17. Para No.17 Page 28 of Audit Report for the year 2001-2002; Irregular Savings Amounting to Rs.1,011,183/-.**
-

(17.1) EADA (Ext.) Noor Pur Thal – Rs.655,741/-**(17.3) EADA (Ext.) Narowal – Rs.324,469/-**

16.05.2006 The Department explained that the paras had been settled in the SDAC meeting held on 28-1-2003.

On the recommendation of audit, **the paras were settled.**

- 18. Para No.15 Pages 25 & 26 of Audit Report for the year 2001-2002; Non-utilization of tractor for precision land leveling resulted in deterioration of the condition of machine**
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17.05.2006 The Department explained that non-utilization of tractor for land levelling had been inquired into and Mr. Karim Baksh, ex-water Management Specialist, Shorkot was held responsible for this lapse who had been penalized by imposing major penalty of dismissal from service vide orders dated 1-11-2003.

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

- 19. Para No.16 Pages 27 & 28 of Audit Report for the year 2001-2002; Unnecessary drawl of Rs.10,679,750/- and keeping it in assignment account un-utilized**
-

17.05.2006 The Department explained that funds were demanded out of ADP with the understanding that civil works be started as per PC-I but the same could not be started due to certain constraints and funds were transferred in the assignment account of DG Agriculture and remained unspent. Later, an amount of Rs. 3,843,516/- were utilized and remaining funds were withdrawn by the Finance Department.

The Committee **settled the para** on the assurance of Administrative Secretary that no lapse was there on the part of department and directed that Administrative Secretary should look into the matter that no irregularity was committed for his own satisfaction.

- 20. Para No.17.2 Page 28 of Audit Report for the year 2001-2002; Irregular savings amounting to Rs.1,011,183/-**
-

Assistant Director (P.P), Jhang –Rs.30,973/-

- 21. Para No.19.5 Page 30 of Audit Report for the year 2001-2002; Irregular expenditure over and above budget allocation amounting to Rs.861,718/-**
-

Assistant Director (P.P), Jhang –Rs.26,442/-

- 22. Para No.24 Page 36 of Audit Report for the year 2001-2002; Irregular expenditure beyond competency amounting to R.711,609/-**
-

(24.3) Assistant Director (P.P), Narowal –Rs.45,000/-

(24.5) Assistant Director (P.P), Jhang –Rs.147,723/-

17.05.2006 The Department explained that necessary action had been taken in respect of all the aforesaid paras and departmental contention had been got verified by audit.

On recommendation of audit, **the paras were settled.**

23. Para No.18 Pages 29 & 30 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1,672,975/- Due to Change of Cadre.

16.05.2006 The Department explained that the para was settled in the SDAC meeting held on 28.1.2003 and the employees were working on regular basis and their adjustments were made against vacant posts in the same scale.

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

24. Para No.19 Page 30 of Audit Report for the year 2001-2002; Irregular Expenditure Over and Above Budget Allocation Amounting to Rs.861,718/-.

(19.1) EADA (Ext.) Narowal – Rs.350,778/-

16.05.2006 The Department explained that the concerned DDO had been warned strictly for the lapse.

On the recommendation of audit, the para was settled.

(19.2) Deputy Director (Ext.), Lahore – Rs.237,937/-

16.05.2006 The Department explained that the para had been settled in SDAC meeting held on 28.01.2003 and concerned officer had been warned strictly for the lapse.

On the recommendation of audit, the para was settled.

(19.4) EADA (Trg.) Bhakkar – Rs.73,137/-

16.05.2006 The Department explained that overall expenditure in each function at the level of Director of Agriculture (Extension) Rawalpindi remained within allocation, rather there was some saving. The Appropriation Accounts for the year 2000-01 under Grant No.18-Agriculture was discussed and settled by PAC on 4.5.2005. The Department further stated that concerned officials/officers responsible were issued warning.

The para was conditionally settled subject to completion of inquiry and verification by Audit.

25. Para No.22 Pages 34 & 35 of Audit Report for the year 2001-2002; Unauthorized Regularization of Service Resulting in Irregular Expenditure of Rs.1,253,240/-: Recovery of Rs.28,494/-.

(22.1) EADA, Lodhran – Rs.19,044/-

(22.2) EADA, Lodhran – Rs.9,450/-

26. **Para No.23 Pages 35 & 36 of Audit Report for the year 2001-2002; Unauthorized Continuance of Adhoc/Contract Appointment Without Any Extention/ Regularization Resulting in Irregular Expenditure of Rs.1,013,353/-**

(23.1) IATI Rahim Yar Khan – Rs.420,004/-

(23.2) EADA Rahim Yar Khan – Rs.382,835/-

16.05.2006 The Department explained that the services of *adhoc* appointees had been regularized and relevant record had been got verified by Audit.

On the recommendation of audit, **the paras were settled.**

27. **Para No.22.3 Pages 34 & 35 of Audit Report for the year 2001-2002; Unauthorized Regularization of Service Resulting in Irregular Expenditure of Rs.1,253,240/-: Recovery of Rs.28,494/-.**

IATI Rahim Yar Khan – NIL

16.05.2006 The Department explained that competent authority Chief Minister of Punjab in relaxation of rules/regulations regularized the services of Mr Muhammad Akram Sweeper.

The Committee settled the para.

28. **Para No.23 Pages 35 & 36 of Audit Report for the year 2001-2002; Unauthorized Continuance of Adhoc/Contract Appointment Without Any Extention/ Regularization Resulting in Irregular Expenditure of Rs.1,013,353/-**

(23.3) W.M.C. Lahore Rs.210,514/-

17.05.2006 The Department explained that services of the official involved in the observation had been terminated on the closure of the project. Later on he was reinstated in service with the approval of the Chief Minister and his services were placed at the disposal of S&GAD for further posting and were also regularized by the Departmental Promotion Committee and the facts had been got verified by audit.

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

29. **Para No.24.4 Pages 36 & 37 of Audit Report for the year 2001-2002; Irregular expenditure beyond competency amounting to Rs.711,609/-**

(24.4) W. M. C. Lahore -Rs.259,507/-

17.05.2006 The Department explained that the para had already been settled in the SDAC meeting held on 31.1.2003.

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

30. Para No.24 Page 36 of Audit Report for the year 2001-2002; Irregular Expenditure Beyond Competency Amounting to Rs.711,609/-

(24.2) EADA (Ext) Chiniot District Jhang – Rs.74,955/-

(24.6) EADA (Ext) Bhakkar – Rs.124,940/-

(24.7) EADA (Ext) Noorpur – Rs.25,054/-

16.05.2006 The Department explained that the para was settled in the SDAC meeting held on 28.01.2003 and factual position had again been got verified by audit.

On the recommendation of audit, **the paras were settled.**

31. Para No.25 Page 37 of Audit Report for the year 2001-2002; Irregular hiring of building for Rs.324,000/-

17.05.2006 The Department explained that the para had been discussed in the SDAC meeting held on 22-7-2003 wherein it was decided that department should submit the case for regularization of the expenditure by the competent authority.

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

32. Para No.27 Page 39 of Audit Report for the year 2001-2002; Irregular Expenditure on Printing Amounting to Rs.153,957/-

(27.1) Dy. Dire (Ext), Jhang – Rs.74,941/-

(27.2) EADA, Jhang – Rs.49,856/-

16.05.2006 The Department explained that the para was settled in the SDAC meeting held on 28.01.2003 and factual position had again been got verified by audit.

On the recommendation of audit, **the paras were settled.**

(27.3) EADA (Ext), DG Khan – Rs.29,160/-

16.05.2006 The Department explained that important seasonal information had been printed after approval of the competent authority for distribution to the farmers and NOC from government press was not required.

The Committee accepted the departmental contention and **settled the para.**

- 33. Para No.29 Page 41 of Audit Report for the year 2001-2002; Unauthorized Expenditure on Purchase of POL Amounting to Rs.102,644/- and on Repair of Vehicle Amounting to Rs.19,378/-.**
-

16.05.2006 Audit explained that during verification of record, the entries in log book were found fictitious.

The Committee directed the department to probe into the matter within 90 days.

The para was kept pending.

- 34. Para No.30 Pages 41 & 42 of Audit Report for the year 2001-2002; Irregular purchase of two bed shapers worth Rs.89,800/- and recovery of income tax of Rs. 3,143/-**
-

17.05.2006 The Department explained that two bed shapers were purchased from local market out of which one was available at the time of audit and the other had been transferred to Sheikhpura by order of the Competent Authority. This machinery had been purchased to introduce the farmers with latest technology and encourage the modern and latest techniques. Moreover, the agricultural machinery was exempted from the income tax.

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

- 35. Para No.31 Page 43 of Audit Report for the year 2001-2002; Misuse of Government Vehicle: Recovery of Rs.80,127/-**
-

16.05.2006 The Department explained that the para had been settled in the SDAC meeting held on 31.7.2001.

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

- 36. Para No.32 Page 44 of Audit Report for the year 2001-2002; Non-achievement of targets due to poor performance.**
-

17.05.2006 The Department explained that improvement of 56 water courses was fixed by Director Field OFWF which was subsequently reduced to 36 by him. However, at the time of audit only 12 water courses were completed and remaining work was also completed within time frame of the project. The progress of Director remained low for want of replacement of tyres and less demand of POL due to very small land holdings in the area.

The Committee was not satisfied with the departmental explanation and directed that an inquiry be conducted into the matter within 90 days under intimation to the PAC.

The para was kept pending.

- 37. Para No.33 Pages 45 & 46 of Audit Report for the year 2001-2002; Completion reports not produced: Material used valuing Rs.20,381,302/-.**
-

(33.1) W. M. C. (O.F.W.M) Sheikhpura -Rs.11,486,433/-

17.05.2006 The Department explained that para had already been settled in the SDAC meeting held on 30-12-2003 and requisite record had again been got verified by Audit.

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

(33.2) W. M. C. Sargodha -Rs.8,894,869/-

17.05.2006 The Department explained that the requisite completion reports of development project had been submitted to consultants for verification and therefore could not be got verified at the time of audit. However, the same were produced to audit during the regular audit of subsequent year.

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

- 38. Para No.34 Pages 46 of Audit Report for the year 2001-2002; Non-production of record of payments of Rs. 1,679,452/- by WMC Mianwali.**
-

17.05.2006 The Department explained that at the time of audit the requisite record was in the custody of WMC Mianwali and the same was got verified by audit officer during the audit of subsequent year and the para was also settled in SDAC meeting held on 30.12.2003.

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

- 39. Para No.35 Pages 46 & 47 of Audit Report for the year 2001-2002; Non-production of record for Rs.281,000/- expended on repair and POL of tractors**
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17.05.2006 The Department explained that the requisite vouched accounts had been got verified by audit.

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

UNIVERSITY OF AGRICULTURE, FAISLABAD
Audit Paras (Civil) for the year 2001-2002

- 1. Para No.1 Page 6 of Audit Report for the year 2001-2002; Non-Deposit of Rental Income of Shopping Centre into the College Account Valuing Rs.316,527/-**
-

17.05.2006 The Department explained that the matter relating to non-deposit of rental income was being pursued by the University of Veterinary & Animal Sciences Lahore and requested that para be transferred to Livestock & Dairy Development Department.

On request of the Department the Committee directed the audit to transfer the para to Livestock & Dairy Development Department.

The para was kept pending.

- 2. Para No.2 Page 7 of Audit Report for the year 2001-2002; Overpayment of Orderly Allowance Amounting to Rs.1,173,810/-**
-

17.05.2006 The Department explained that on the directions of Secretary, Agriculture Department, the payment of orderly allowance had been discounted and the case for grant of orderly allowance to the professors had been submitted for approval to the Chancellor. Decision was still awaited.

The para was kept pending till the decision of the Chancellor.

- 3. Para No.3 Pages 7 & 8 of Audit Report for the year 2001-2002; Loss Due to Less Recovery of Electricity Charges from the Occupants of the University Residences Valuing Rs.5,380,054/-**
 - 4. Para No.5 Page 10 of Audit Report for the year 2001-2002; Loss of Funds Due to Non-Auction of Fruit Shop and Canteen At the College of Veterinary Sciences (Amount Not Assessed).**
 - 5. Para No.6 Page 11 of Audit Report for the year 2001-2002; Loss of Rs.381,600/- Due to Fixation of Rent of Shops At Low Rates.**
 - 6. Para No.10 Pages 15 & 16 of Audit Report for the year 2001-2002; Irregular Auction of Fruit Gardens by Horticulture Department for Rs.1,265,500/- and Non-Deduction of Income Tax Valuing Rs.63,275/-**
-

7. Para No.11 Pages 16 & 17 of Audit Report for the year 2001-2002; Irregular Auction of Contract of Cafeteria At Remarkable Low Rates Causing Heavy Loss to the University

17.05.2006 The Department explained that the paras had already been settled in the SDAC meeting held on 19-12-2002.

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

8. Para No.4 Pages 8 & 9 of Audit Report for the year 2001-2002; Non-Recovery of Penal Rent from the Unauthorized Occupants Worth Rs.810,541/-

17.05.2006 The Department explained that the Syndicate of the University had directed to recover the penal rent from unauthorized occupants and a letter had been written to the NBP, University of Agriculture Faisalabad to deduct 1/3 of the pension every month from the responsible person.

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

9. Para No.7 Pages 11 & 12 of Audit Report for the year 2001-2002; Illegal Encroachments/Occupation of University Land and Vacation Thereof.

17.05.2006 The Department explained that approximately 15 acres of land had been encroached in 1973-74 and rest of the land was encroached during the period from 1981-88. In this area people had made houses, paved street and got utility connection and therefore the vacation of land from illegal occupants was quite impossible.

The Committee was not satisfied with the departmental explanation and directed that Administrative Secretary should take necessary measures to get the land vacated from illegal occupants within 90 days under intimation to the PAC.

The para was kept pending.

10. Para No.8 Page 13 of Audit Report for the year 2001-2002; Irregular Expenditure on Construction, Maintenance and Repair Works Valuing Rs.284,928/-.

11. Para No.9 Pages 14 & 15 of Audit Report for the year 2001-2002; Un-Economical Purchase of Store Articles Without Adopting Codal Formalities Amounting to Rs.10,209,111/-.

17.05.2006 The Department explained that as per directions of the SDAC, the expenditure had been regularized by the Syndicate which had been got verified by audit.

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

PERFORMANCE AUDIT REPORTS FOR THE YEAR 2001-2002

**Soil & Water conservation Project under 2nd Barani Area Development Project
Third Punjab on-farm Water Management Project (ADB Assisted) Multan
Water Lifting Devices Project (a component at 2nd Barani Area Development,
Rawalpindi**

29.05.2007 The Performance Audit Reports for the above mentioned projects were discussed and after great deliberation, the Committee kept the consideration of the reports pending with the directions that comments of Planning & Development department be got obtained at the earliest. So that the Committee would be in a position to take final decision.

The Committee **kept the consideration** of the reports pending.

AUQAF

The business relating to Auqaf Department was considered in the meetings of PAC-II held on 18 & 19 September 2006 and 16,17 & 19 February 2007.

GENERAL OBSERVATIONS/DIRECTIONS

19.09.2006 The Committee observed that the working paper submitted by the department did not contain full justification/explanation of the departmental contention and in most of the paras, record had not been got verified by Audit.

The Committee desired that the Department should get all the record verified by Audit within the first week of October 2006 and up-to-date position of the paras should be submitted in the working papers for the next meeting.

17.02.2007 The Committee was informed that Director Finance, Auqaf Department had written a letter No. AO(A)HQ-3(563)2000/Vol-III dated 27.1.2007 to Assembly Secretariat, stating that Draft Paras No. 15.1, 18.2, 19, 20.5, 20.9 and 20.13 were discussed but not included in the minutes of the meetings of PAC-II held on 16, 18 & 19 September 2006. The Committee was informed that these paras were neither explained in the working papers submitted by the Auqaf Department for the meetings of Public Accounts Committee-II held on 16, 18 & 19 September 2006 nor were considered by the committee and the contention of Assembly Secretariat was verified by the Committee in view of supporting record.

After detailed examination of the matter, the Committee desired that its displeasure be conveyed by the Administrative Secretary to the officer responsible for the lapse. The Committee further desired that in future, all the correspondence regarding the PAC matters should be carried out with approval of Administrative Secretary after authentication of facts/ record.

19.02.2007 The Committee observed that financial discipline was lacking in the Auqaf Department and instructions of the government were not being followed properly. The Committee directed that Administrative Secretary should immediately devise an internal audit system in the department to improve the financial discipline. Moreover the Committee desired that Director General Civil Audit, Lahore may conduct a special Audit of the Auqaf Department to scrutinize the financial matters of the Auqaf organizations.

Audit paras (Civil) for the year 2001-2002

- 1. Para No.1 Page 8 of Audit Report for the year 2001-2002; Non-Accountal of Rs.214,455/-**
-

18.09.2006 The Department explained that all the amount as pointed out by audit had been deposited in the relevant account except the one mentioned at serial No. 3 & 4. So

for the amount of Rs.200,000/- at serial No.3 was concerned its cheque could not be cashed and the same was dis-honoured by the bank. The amount of 11 pounds mentioned at serial No.4 of the para was also credited in the relevant account on 16.02.2001 after it was exchanged in rupees.

The para was kept pending with the directions that an inquiry be conducted for non-accountal of Rs.214,415/- by the Administrative Secretary and report be submitted to PAC.

2. Para No.2 Pages 8 & 9 of Audit Report for the year 2001-2002; Less Deposit of Rs.8,76,720/-.

18.09.2006 The Department explained that the contract of shoe keeping for the financial year 1999-2000 was duly auctioned and awarded to Mr. Sardar Shah. As per Terms & Conditions of contract an advance of Rs.3,000,000/- was received from him vide receipts No.4443/92 dated 22.6.1999 while the remaining sum of Rs.536,400/- was received in monthly installments vide receipts No.9558/46 dated 1/8/1999 which could not be inadvertently entered in the Demand & Collection register. Now this entry had been made which was available at page 64 of the Demand & Collection register while the entry of the said amount was available at page 137 of cash book for the year 1999-2000.

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

3. Para No.3 Pages 9 & 10 of Audit Report for the year 2001-2002; Non-Accountal of Store Articles/POL Valuing Rs.183,077/- Recovery Thereof.

(3.1) Zonal Administrator Auqaf, Multan Rs.72,000/-

16.02.2007 The Department explained that a sum of Rs. 72,000/- had been paid to the Director Health/MS, Data Darbar Hospital, Lahore vide the cheque No.447515 dated 28.6.2000 and Cheque No.883926 dated 18.5.2001 on account of purchase of medicines, receipts were available for verification.

The Committee **settled the para subject to verification** of stock register by audit.

(3.2) Zonal Administrator Auqaf, Dera Ghazi khan Rs.54,441/-

16.02.2007 The Department explained that the entries had been made in the log books as well as vouchers were available for verification. It was further stated that the concerned officer had been advised to maintain the log books according to the instruction of Finance Department. The concerned officers had also been warned.

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

(3.3) District Manager Auqaf Rawalpindi Rs.56,636/-

16.02.2007 The Department explained that all the vouched accounts had already been adjusted by the Competent Authority and all the stock entries were available for verification.

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

4. Para No.4 Page 10 of Audit Report for the year 2001-2002; Non-Accountal of Rs.162,119/-

18.09.2006 The Department explained that all the vouchers for the month of June 2000 were re-checked and vouched account was available for verification.

The para was kept pending for reconciliation and verification by Audit.

5. Para No.5 Pages 10 & 11 of Audit Report for the year 2001-2002; Misuse of Government Vehicles Recovery of Rs.170,936/-

18.09.2006 The Department explained that actually the vehicles were used for local duty in emergent and urgent duty of misc. nature. So it was not possible for officers on deputation and other staff to record the full detail of the journey.

The Committee **settled the para** with the directions that necessary entries be made in the log book in future and warning be issued to the defaulter officers/officials.

6. Para No.6 Page 11 of Audit Report for the year 2001-2002; Non-Accountal Cheques in the Cash Book Valuing to Rs.4,890,453/-

18.09.2006 The Department explained that as per instructions entries of the cheques had been made in the general cash book and the total had been calculated and mentioned accordingly. The record was available for verification.

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

7. Para No.7 Page 12 of Audit Report for the year 2001-2002; Non-Accountal of URS Grants Amounting to Rs.103,900/-

16.02.2007 The Department explained that the annual Urses advance amounts were spent through office staff or RPC of Shrines. In some Shrines the sanctioned Urs amount was not sufficient hence; it was handed over to the RPC for further public contribution to meet the requirements of the actual expenditure. However, the distribution of langer to the devotees could not be calculated.

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

8. Para No.8 Page 13 of Audit Report for the year 2001-2002; Non-Deposit of Government Receipt of Rs.58,173/-

18.09.2006 The Department explained that Auqaf was an independent department and according to Auqaf manual all income should be deposited in the National Bank of Pakistan. So according to the manual the said amount had been deposited in C-7 (Central Auqaf Fund).

The para was settled subject to verification by Audit.

9. Para No.9 Pages 14 & 15 of Audit Report for the year 2001-2002; Non Recovery of Arrear of Rent Amounting to Rs.41,806,440/-

10. Para No 10 Pages 16 & 17 of Audit Report for the year 2001-2002; Non-Recovery of Lease Money Rs.19,738,491/-

18.09.2006 The Department explained that Rs.66,000,000/- had been recovered and the efforts were being made for the balance recovery under land revenue act.

The Committee reduced the paras to the extent of recovery subject to its verification by audit and kept **the paras pending** with the directions that the balance recovery be made within 90 days.

11. Para No.11 Pages 17 & 18 of Audit Report for the year 2001-2002; Non-Deduction of Benevolent Fund Amounting to Rs.231,425/-

18.09.2006 The Department explained that the Auqaf Organization was an autonomous body. The rules regarding Benevolent Fund had neither been introduced nor adopted by the Auqaf Organization.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

12. Para No.12 Pages 18, 19 & 20 of Audit Report for the year 2001-2002; Non-Recovery of Rs.5,087,762/- on Account of Income Tax/Withholding Tax from Contractors

18.09.2006 The Department explained that as per law the subject tax was neither leviable nor chargeable from the Auqaf Organization. The relevant law would be shown to the audit.

The Committee kept the para pending for verification of record by Audit.

13. Para No.12.19 Pages 18 & 19 of Audit Report for the year 2001-2002; Non-Recovery of Rs.5,087,762/- on Account of Income Tax/Without Tax From Contractors

Secretary Auqaf Punjab, Lahore -Rs.25,419/-

18.09.2006 The Department explained that an amount of Rs.25,419/- was related to deduction of Income Tax from 18 firms and Rs.9,000/- had been recovered from the said firms so far. Efforts were being made for the remaining amount. It was also stated that the balance amount pertained to the Chief Administrator, Punjab Auqaf Organization.

The Committee kept the para pending with the directions that balance amount be recovered within 30 days.

16.02.2007 The Department explained that the annual returns of income tax from different firms had been collected which would be shown to the audit.

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

14. Para No.13 Pages 20 & 21 of Audit Report for the year 2001-2002; Irregular Drawal of Personal Allowance Recovery of Rs.352,232/-

16.02.2007 The Department explained that the Secretariat Allowance/Personal Allowance was paid conditionally to employees of Auqaf Organization after sanctioned by the Chief Administrator Auqaf. The orders for deduction from GP Fund had been issued.

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

15. Para No.14 Page 21 of Audit Report for the year 2001-2002; Irregular Use of Electricity and Sui Gas Utilities by the National Bank, Police Station Recovery of Rs.1,134,000/-

18.09.2006 The Department explained that an amount of Rs.25,000/- per month was being charged from NBP for leased out space and the bank had to pay the bill for electricity consumed. However, no Sui Gas connection was provided to the bank. Besides that a Police Post was established at Data Darbar Complex, Lahore for maintaining Law & Order round the clock and the matter for pending payments on the part of Police Department would be taken up with the concerned committee of the Darbar.

The Committee **kept the para pending** with the directions that Administrative Secretary should take necessary action in the matter within 30 days under intimation to the PAC.

- 16. Para No.15.2 Pages 21 & 22 of Audit Report for the year 2001-2002; Irregular Payment of Conveyance Allowance and House Rent Allowance. Recovery of Rs.448,185/-**
-

District Manager Auqaf Sector-I Multan-Rs.249,129/-

19.09.2006 The Department explained that no residential quarters and houses were under the control of Waqf Properties Multan. However, Small Hujras attached with the mosques were used for the purpose of storing the material used in the mosques such as tentage, suffs, daries and electric material which could not be termed as residential quarter.

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

- 17. Para No.16 Pages 22 & 23 of Audit Report for the year 2001-2002; Irregular Auction of Waqf Properties/ Rights on Lease Worth Rs.12,328,410/- Loss Due to Non-Recovery of Withholding/ Income Tax to the Tune of Rs.616,421/-**
-

16.02.2007 The Department explained that the programme of auction for lease of properties was advertised in the national newspapers and the formal approvals of the leases had been obtained from the competent authority. It was also stated that Rs.3,000,000/- had been recovered and efforts were made for the balance recovery.

The para was kept pending for balance recovery.

- 18. Para No.17 Page 23 of Audit Report for the year 2001-2002; Irregular Payment of Personal Allowance Rs.35,875/-**
-

19.09.2006 The Department explained that complete recovery had been effected from the concerned persons and relevant record for the purpose was available for verification.

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

- 19. Para No.18 Pages 24 & 25 of Audit Report for the year 2001-2002; Loss of Rs.63,279,103/- Due to Illegal Occupation of Agricultural Land and Properties of Auqaf Department.**
-

(18.1) District Manager Auqaf Chishtian-Rs.2,132,775/-

(18.3) District Manager Auqaf Sector-III Multan-Rs.13,201,002/-

19.09.2006 The Department explained that the aforesaid paras were pending in the court of Law/NAB.

These paras were kept pending.

(18.4) Manager Auqaf Sector-III Multan-Rs.65,300/-

19.09.2006 The Department explained that out of total amount a sum of Rs. 300,000/- had been recovered and efforts were being made for balance recovery.

The para was kept pending with the directions that record be got verified by Audit.

(18.5) Manager Auqaf Sector-V Lahore-Rs.125,018/-

19.09.2006 The Department explained that demand, for recovery of arrears on account of auction money of agricultural land, had been created with the revenue authorities for recovery as arrears of land revenue which was being pursued.

The para was kept pending for recovery.

20. Para No.19 Pages 25 & 26 of Audit Report for the year 2001-2002; Un-Authorized Drawal of Salary, Recovery of Rs.54,642/-

18.09.2006 The Department explained that Mr. Mazhar Bashir Riaz, PA (BS-16) was posted in this Department by S&GAD vide order dated 03-12-1999. The post of PA was not available in this Department at that time. All the salary/dues were paid to him according to LPC issued by S&GAD and he had drawn his salary from 12/1999 to 7/2000. The Department had referred the case to the Finance Department for ex-post facto sanction on 17-2-2006.

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

16.02.2007 The Department explained that Mr. Mazher Bashir Riaz, PA BS-16 was posted in the Department by the orders of S&GAD while the post of PA was not available at that time. The Department had requested the FD for creation of post ex-post facto for the said period. It was further stated that on the advice of FD a summary had been moved to the Chief Minister for regularization.

The para was kept pending till the decision by the Chief Minister.

21. Para No.20 Pages 25, 26 & 27 of Audit Report for the year 2001-2002; Loss of Rs.12,614,993/- Due to Non-Deduction of Agriculture Land.

(20.1) Manager Auqaf Uch Sharif -Rs.1,714,000/-

19.09.2006 The Department explained that Manager Auqaf had calculated the amount of non-auctioned land to the tune of Rs.1,154,705/- out of which an amount of Rs.348,027/- had been recovered and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovery effected subject to its verification by Audit while the remaining **part was kept pending** for balance recovery.

(20.2) Manager Auqaf Gujrat-Rs.119,580/-

19.09.2006 The Department explained that an amount of Rs.68,000/- had been recovered and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovery effected subject to its verification by Audit while the remaining **part was kept pending** for balance recovery.

(20.3) Manager District Auqaf Muzaffargarh-Rs .Nil

19.09.2006 The Department explained that the property involved in the audit observation had been properly auctioned after approval of the competent authority which could be verified from the available record.

The Committee **kept the para pending** with the directions that record be got verified by audit within the first week of October 2006.

(20.4) District Manager Auqaf Chishtian-Rs.1,275,000/-

19.09.2006 The Department explained that the amount of para had been included in para No.9.17 which had already been discussed by the PAC on 18/9/2006 and requested that this para may be deleted from here.

The Committee **deleted the para.**

(20.7) District Manager Auqaf Rahim Yar Khan-Rs.134,787/-

19.09.2006 The Department explained that the deduction of income tax was not applicable on lease of Waqf Properties.

The Committee directed that department should seek an advice in the matter from CBR.

The para was kept pending.

(20.8) Manager Auqaf Sector-I Lahore-Rs.5,812,655/-

19.09.2006 The Department explained that the amount involved in the para was outstanding against the Waqf Properties which had been converted into Kachi Abadies and therefore recovery was quite difficult.

The Committee **kept the para pending** with the directions that department should take up the matter with concerned authorities.

(20.10) District Manager Auqaf Sector-I Multan-Rs.362,000/-

The Department explained that the matter was subjudice in the court of law.

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

(20.11) Manager Auqaf Khanewal-Rs.306,678/-

19.09.2006 The Department explained that out of total amount a sum of Rs. 128,398/- had been recovered and efforts were being made for the balance recovery.

The Committee reduced the para to the extent of recovery verified by Audit and the remaining part was **kept pending** with the directions that complete recovery be effected within the current financial year.

(20.12) District Manager Auqaf Kasur-Rs.148,500/-

19.09.2006 The Department explained that properties involved in the para were auctioned on proper rates and certain properties were not auction-able due to conditions prevailing at site whereas the matter for recovery against illegal cultivator namely Mr. Ashfaq Shah had been referred to Revenue Authorities.

The Committee **kept the para pending** with the directions that complete record be got verified by Audit within the first week of October.

22. Para No.21 Pages 27 & 28 of Audit Report for the year 2001-2002; Non-Achievement of Income Targets to the Tune of Rs.35,158,070/-

19.09.2006 The Department explained that targets could not be achieved in certain cases due to conditions and circumstances prevailing during the relevant period and item-wise condition in each case could be explained with the support of relevant record which would be produced to Audit for verification.

The Committee **kept the para pending** with the directions that complete record be got verified by Audit within the first week of October.

23. Para No.22 Pages 28 & 29 of Audit Report for the year 2001-2002; Loss of Rs.198,365/- Due to Payment of Salary to Staff Without Duty

16.02.2007 The Department explained that the District Khateeb was the Member of Auction Committee and he signed the auction proceedings at the time of auction. He opened the seal in the presence of representative of Auqaf. There was no leakage at the time of opening cash boxes. The tour programme was also approved by the concerned Administrator.

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

24. Para No.23 Pages 29 & 30 of Audit Report for the year 2001-2002; Loss of Rs.479,393/- Due to Auction/Award of Contract on Less Rates Recovery Thereof

19.09.2006 The Department explained that all the codal formalities had been adopted for auctions/award of contract and proper advertisement had been published in press and the highest rates offered by the bidders were accepted.

The Committee accepted the explanation of the department and **the para was settled.**

25. Para No.24 Pages 30 of Audit Report for the year 2001-2002; Annual Loss of Rs.1,150,000/- Due to Mismanagement in Waqf Property.

19.09.2006 The Department explained that 33 new shops were constructed after demolishing the old 13 shops situated in Sarae-Mehmood, Khudian. Thirteen of these shops were allotted to the old tenants, 20 shops were auctioned for rent and none of these shops had been occupied by the illegal occupants.

The Committee accepted the departmental reply and **settled the para subject to verification** of record by Audit.

26. Para No.25 Pages 31, 32 & 33 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.21.527/- Million on Appointment of Contingent Paid/Daily Wages Staff.

19.09.2006 The Department explained that daily wages appointments were made under the order of competent authority against the vacant posts approved in the budget. These posts could not be left vacant as the presence of staff at mosques and mazaars was necessary.

The Committee was not satisfied with the explanation of the department and observed that appointing authority was responsible for recruitment during ban. The Committee directed that action should be taken against the appointing authority and department should move a case to the Finance Department for regularization.

The para was kept pending.

27. Para No.26 Pages 30 of Audit Report for the year 2001-2002; Expenditure in Excess of Budget Allocation Amounting to Rs.17,372,682/-

19.09.2006 The Department explained that item-wise position in each case for expenditure in excess of budget allocation. However, audit contended that department did not produce relevant record for supporting its contention.

The Committee **kept the para pending** with the directions that complete record be got verified by Audit within the first week of October.

28. Para No.27 Pages 34 & 35 of Audit Report for the year 2001-2002; Non-Adjustment of Advances Worth Rs.8,534,709/-

19.09.2006 The Department explained that advance payments were made to the Chairmen of Religious Purpose Committees in various districts but some of them did not produce adjustment vouchers despite repeated reminders. The Administrative Secretary stated that recovery would be effected as arrears of land revenue from the Chairmen, who did not produce adjustment vouchers.

The Committee **kept the para pending** with the directions that Administrative Secretary may take appropriate action in the matter.

29. Para No.28 Pages 36 & 37 of Audit Report for the year 2001-2002; Irregular and Uneconomical Expenditure on Purchases to the Tune of Rs.4,925,535/-

(28.1) Administrator Badshahi Mosque, Lahore Rs.197,600/- and 83,200/-

16.02.2007 The Department explained that an amount of Rs. 197,600/- was paid to M/s. Sunshine Traders, Lahore for purchase of Woolen Carpets for Badshahi Mosque, Lahore. The above payment was made after fulfillment of all codal formalities like advertisement in daily national newspapers, preparation of comparative statement and supply order etc. The purchase was made with the consultation of representative of industries department and with the prior approval of competent authority.

On a query from the Committee, the Chief Administrative Auqaf Organization stated that this was the minimum possible rates of the Woolen Carpets at that time.

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

(28.2) Manager Auqaf Sector-V, Lahore Rs.175,000/-

16.02.2007 The Department explained that the para consisted of four parts:-

i. Rs.150,000/- non fulfillment of codal formalities

The Department explained that the stock entries were available and all the codal formalities were fulfilled at the time of purchase.

The Committee accepted the explanation of the Department and **settled this part.**

ii. Rs.2,300/- paid to Ulema Akram

The Department explained that the amount was disbursed to the Ulemas at the Urs Occasion and the acknowledgment of the amount was available.

The Committee accepted the explanation of the Department and **settled this part.**

iii. Rs. 7,700/- Non production of original bills and APR

The Department explained that the bill of Rs. 7,700/- was not available but the receipt of the bill was available.

The Committee **settled this part subject to verification** of bill by audit.

iv. Rs. 9,000/- none stock entries

The Department explained that the stock entries of the bills of Rs.9,000/- had been made and all the vouched accounts was available.

The Committee accepted the explanation of the Department and **settled this part.**

(28.3) Manager Auqaf Sector-V, Lahore Rs.162,000/-

16.02.2007 The Department explained that all the expenditure was incurred by RPC and quotations were also obtained from them. All the vouched accounts were available and all the vouchers of Rs. 162,000/- had already been adjusted.

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

(28.4) Manager Auqaf Sector-V, Lahore Rs.300,000/-

16.02.2007 The Department explained that at most of the Shrines the Departmental sanctioned amount was being handed over to RPC to meet Urs expenditure. This amount was paid to Mr. Imdad Faridi, Member RPC Shrines Mian Mir, who had provided incomplete vouched account and a notice had been issued to him to provide all the vouched account. If he failed to produce the whole vouched accounts then recovery procedure would be carried out against him.

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

(28.5) Manager Auqaf Sector-V, Lahore Rs.61,200/-

16.02.2007 The Department explained that the vouchers were of different items and different dates. The amounts were very low, which did not fall in category of obtaining quotations. Stock entries and all the vouchers were available, however admission/discharge register were not available because the concerned Mudaris had retired and present Mudaris had intimated that no such register was available. However, the meter recovery of Rs.10,800/-was under process from the defaulters.

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

(28.6) Zonal Administrator Auqaf, Gujranwala Rs.414,137/- and 14,495/-

17.02.2007 The Department explained that recovery of Rs. 40/- had been made and CV from Income Tax Department for Rs. 23,205/- was available for verification.

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

(28.7) Zonal Administrator Auqaf, Lahore Rs.655,000/-

17.02.2007 The Department admitted that vouched account for Rs.185,000/- was available and the balance record was not traceable.

The Committee took serious notice and directed that action against the responsible be taken and recovery be made from the concerned officers/officials within 60 days. The Committee also directed that the department should adopt pre-audited mechanism.

The para was kept pending.

(28.8) Zonal Administrator Auqaf, Lahore Rs.117,190/-

17.02.2007 The Department explained that actual amount of scholarship under voucher No. 96 dated 30.6.2000 was Rs. 31,500/- instead of Rs. 35,000/- which had been disbursed to the concerned students and also got verified by audit. However, the vouched account of the balance amount i.e. Rs. 82,190/- was not traceable.

The para was reduced to Rs. 82,190/- and **kept pending** with the directions that action be taken and recovery be made from the concerned officer/officials within 60 days.

(28.9) Chief Administrator Auqaf, Punjab, Lahore Rs.2,195,400/- and 171,200/-

17.02.2007 The Department explained that the advertisement was made in the national daily newspaper and the original treasury Challan was available for verification. It was also stated that the purchase order was given to the next to the lowest bidder after approval of the competent authority. The Department admitted that the security was forfeited but that was not deposited in the government treasury uptil now.

The Committee **kept the para pending** with the directions that the approval of next higher authority for granting purchase order to the next lowest bidder be got verified by audit and action be taken against the responsible who had not deposited the forfeiture earnest money in the government treasury at the proper time.

(28.10) Chief Administrator Auqaf, Punjab, Lahore Rs.220,958/-

17.02.2007 The department explained that expenditure had been incurred on purchase of stationery after observing all the codal formalities and sanction of competent authority and income tax had also been recovered.

The Committee **settled the para subject to verification** of record, relating to recovery of Income Tax, by Audit

(28.11) Chief Administrator Auqaf, Punjab, Lahore Rs.75,000/-

17.02.2007 The Department explained that the air-cooler for the official use were purchased after fulfillment of all codal formalities and prior approval of the competent authority. So far as the recovery of income tax was concerned that was deposited by the firm himself.

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

(28.12) Administrator Data Darbar Sharif, Lahore Rs.83,155/-

17.02.2007 The Department explained that it was a routine expenditure and that was within the competency of the Zonal Administrator. On a query from the Committee that under which rule the advances were granted, the department stated that rule would be shown on 19.2.2007.

On 19.2.2007, the Department read the relevant rule before the committee.

The Committee **kept the para pending** for verification of permanent advance register along with cash book by audit and desired that financial rules/procedure be framed within 90 days.

30. Para No.29 Pages 37 & 38 of Audit Report for the year 2001-2002; Irregular Drawl of Pay & Allowances to the Tune of Rs.989,566/-

(29.1) Zonal Administrator Auqaf, Punjab, Lahore Rs.96,229/-

17.02.2007 The Department explained that partial record had been traced out and rest of the record would be made available within 30 days.

The para was kept pending.

(29.2) Administrator Data Darbar, Lahore Rs.318,465/-

17.02.2007 The Department explained that the services of Andleeb Bibi, Nigran Data Darbar were terminated and she filed an appeal in the Lahore High Court Lahore but before the decision of the learned court, she was re-employed and a sum of Rs. 108,668/- were paid to the official during pendency of the case in the Lahore High Court Lahore. It was further stated that Department had order for deduction of over payment of Rs. 108,668/- @1/3 of the pay.

The Committee **kept the para pending** with the directions that the action against the concerned officer who had made the appointment during the pendency of the case in the court of law be taken under intimation to PAC and the recovery be got verified by audit.

(29.3) Manager Auqaf Sector-II, Multan Rs.166,596/-

17.02.2007 The Department explained that both the officers were promoted as Manager Auqaf in BPS-16 through Departmental Committee and their period of current charge was regularized by the competent authority.

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

(29.4) Chief Administrator Auqaf, Lahore Rs.408,276/-

17.02.2007 Audit observed irregular drawl of Pay & Allowances to the tune of Rs.989,566/-.

The Department explained that the para consisted of seven parts:-

- a. (i) Mr. Muhammad Nawaz Asghar
- (ii) Zubair Masood
- (iii) Muhammad Yaqoob Zia
- (iv) Dr. Tahir Raza
- b. Mr. Kamil Ali, Assistant Director
- c. Mr. Shamsul Haq etc.
- d. Mr. Ghulam Qadir
- e. (i) Mr. Arshad Ahmed Nizami
- (ii) Mr. Muhammad Sadique
- (iii) Mr. Muhammad Afzal
- (f) (i) Mr. Sajid Ali
- (ii) Amjad Ali
- (g) Mr. Shabir Malik

The Department further explained that order for Ph.D. Allowance of Dr. Tahir Raza Bukhari, Director Religious Affairs had been got verified by audit and the rest of the record relating to other officers was available for verification.

The Committee **settled the para** to the extent of Dr. Tahir Raza Bukhari and rest was kept pending for verification of record by audit.

31. Para No.30 Pages 38 & 39 of Audit Report for the year 2001-2002; Irregular Expenditure to the Tune of Rs.1,160,150/- on Account of Jahaiz and Non Production of Vouched Account.

17.02.2007 The Department explained that the vouched accounts and demands by Jahaiz Committee were not available.

The Committee **kept the para pending** with the directions that action against the concerned Zonal Administrator who was acting as Secretary to the Jahaiz Committee be taken and recovery be made within 60 days.

32. Para No.31 Pages 39 & 40 of Audit Report for the year 2001-2002; Unauthorized Transfer of Rs.140,000,000/- Out of Account No.3450-8

17.02.2007 The Department explained that the relevant record had been got verified by audit on 3.10.2006.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

33. Para No.32 Pages 40 & 41 of Audit Report for the year 2001-2002; Irregular Expenditure to the Tune of Rs.403,526/- on Account of Repair & Maintenance of Building of Data Darbar.

19.02.2007 The Department explained that the repair/construction of Waqf Properties had been done after fulfillment of all codal formalities.

Audit contended that the department had produced the record except the works for Rs.73,788/-.

The Committee **kept the para pending** with the directions that the record for works of Rs.73,788/- be got verified by audit.

34. Para No.33 Pages 41 & 42 of Audit Report for the year 2001-2002; Doubtful and Irregular Expenditure on Purchase of Dietary Items Amounting to Rs.1,487,436/- and Recovery of Rs.52,060/- on Account of Income Tax.

19.02.2007 The Department explained that the expenditure was made for Langer items which was small in quantity and used frequently on day to day basis. Stock register had been got verified by audit. So far as the deduction of income tax was concerned, the department stated that a reference for exemption of income on langer items had been made to the Federal Government.

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

35. Para No.34 Pages 42 & 43 of Audit Report for the year 2001-2002; Irregular Expenditure to The Tune of Rs.9,480,000/- on Janitorial Services.

19.02.2007 The Department explained that the expenditure was made after fulfilling all the codal formalities and all the record was available for verification.

The para was kept pending for verification of record by audit.

36. Para No.35 Pages 43 & 44 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.389,119/- on Account of Calligraphy of Datta Darbar.

19.02.2007 The Department explained that the expenditure was incurred on Calligraphy of Qur'anic Ayats at Darbar Hazrat Data Gunj Buksh.

The Committee **settled the para** keeping in view the sanctity of Qur'ani Ayats.

37. Para No.36 Page 45 of Audit Report for the year 2001-2002; Irregular Expenditure to the Tune of Rs.428,128/- on Account of Maintenance of A.C. Plant of Hazrat Darta Gunj Bakhsh Complex.

19.02.2007 The Department explained that the contract on annual basis was given to private firms to look after and operation of the air-condition plant installed in the Jamia Masjid Darbar Hazrat Data Gunj Buksh. The contract was awarded by the Director Project Auqaf on the parameters of minimum expenditure offered by a firm through tender. It was also stated that the contract was awarded after fulfilling all the codal formalities.

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

38. Para No.37 Page 46 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs. 2 Million on Hiring of Shamianas and Other Articles.

19.02.2007 The Department explained that the contract was awarded by the Director of Religious Affairs after fulfillment of codal formalities and all the necessary record was available for verification.

The para was settled subject to verification of record by audit.

39. Para No.38 Pages 47 & 48 of Audit Report for the year 2001-2002; Irregular/ Doubtful Expenditure of Rs.920,353/- on Account of Repair of Shrines of Ollia-E-Ikram

19.02.2007 The Department explained that all the record regarding the expenditure was available for verification. However, the audit comments were not available on working papers.

The Committee **kept the para pending** for audit comments.

40. Para No.39 Pages 48 & 49 of Audit Report for the year 2001-2002; Irregular Drawal of Pay & Allowances Worth Rs.140,987/- Due to Irregular Appointment.

19.02.2007 The Department explained that Mr. Javed Amen was appointed Nigran on adhoc basis for a period of one year vide order dated 2.2.1995 and his services were to be terminated on 3.2.1996. Whereas, he remained in service and drawn his pay till 17.7.1996.

The Committee **kept the para pending** with the directions that action against the concerned officers who had not terminated the services on 3.2.1995 and paid the pay of five months be taken and recovery of the five months pay be made from the concerned officers.

41. Para No.40 Page 49 of Audit Report for the year 2001-2002; Irregular Expenditure Amounting to Rs.668,415/- Due to Appointment of Under Aged Persons

19.02.2007 The Department explained that the para consisted of two parts:-

1. Hafiz Niaz Ahmed

The Department explained that according to service book of Hafiz Niaz Ahmed, he was 15 years and twenty days at the time of appointment. After receiving the audit observation the Zonal Administrator Auqaf called him for personal hearing and he produced his school certificate and birth certificate according to which his date of birth was 17.5.1952 but due to unknown reasons his date of birth was recorded in service book 17.5.1955. The correction of entry in service book had been made by the competent authority.

2. Mr. Muhammad Yasin

The Department explained that according to service books his date of birth was 09.6.1962 and he was under age at the time of appointment. The official was directed to explain his position. He produced his birth certificate according to which his date of birth was 24.10.1960. The competent authority corrected the entries in the service book.

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

42. Para No.41 Pages 49 & 50 of Audit Report for the year 2001-2002; Irregular Re-Appointment of Officials, Recovery of Pay and Allowances.

19.02.2007 The Department explained that the matter had been got regularized by the Chief Minister on 26.1.2001.

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

43. Para No.42 Page 50 of Audit Report for the year 2001-2002; Irregular Drawal of Pay and Allowances Amounting to Rs.260,646/- Due to Change of Cadre

19.02.2007 The Department explained that the cadre of said employees was not changed but only transfer was made in other grade which was allowed according to Auqaf Service Rules 1994.

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

- 44. Para No.43.1 Pages 50 & 51 of Audit Report for the year 2001-2002; Irregular Expenditure Amounting to Rs.1,248,930/- Without Approval of the Competent Authority.**
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Manager Auqaf Sector-I, Lahore Rs.1,045,271/-

19.02.2007 The Department explained that at the time of taking over the properties like Mosques & Sharines the electric meters were installed in the names of Mojawar/Matwali. The bills were paid well in time to avoid disconnection.

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

- 45. Para No.43.2 Pages 50 & 51 of Audit Report for the year 2001-2002; Irregular Expenditure Amounting to Rs.1,248,930/- Without Approval of the Competent Authority.**
-

Zonal Administrator Auqaf, Multan Rs.203,659/-

19.02.2007 The Department explained that the said amount was paid to the Local Fund Audit as Audit Fee after obtaining the sanction of the competent authority.

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

- 46. Para No.44 Pages 51 & 52 of Audit Report for the year 2001-2002; Irregular/ Un-Authorized Award of Contracts Worth Rs.16,538,367/-**
-

(44.1) Manager Auqaf Sector-III, Multan Rs.9,726,890/-

(44.2) District Magistrate Auqaf Sector-I, Multan Rs.1,293,600/-

(44.4) District Manager Auqaf Muzaffargarh Rs.348,980/-

19.02.2007 The Department explained that out of 57 sanctions, 50 sanctions had been got verified by the audit and the remaining 7 sanctions were under process.

The paras were kept pending for verification of record by audit.

(44.3) Manager Auqaf Sector-II, Multan Rs.4,959,900/-

19.02.2007 The Department explained that the award of contracts to various contractors were given with the proper approval of the competent authority. So far as the contract of Sharine of Hazrat Bhawal Haq Zakria Multani was concerned that has been calculated twice by audit.

Audit verified the contention of the Department and recommended **the para for settlement.**

The para was settled.

(44.5) Manager Auqaf Sector-I, Lahore Rs.30,500/- and 74,332/-

19.02.2007 The Department explained that there was no competition for the lease of agriculture land in 1997 and 2000. The Alaka rate per acre per annum was 1,500 averages because the agriculture land was slabi.

On the query of the Committee, the department admitted that the approval of higher authority for giving contract on the lesser rate than the previous year was not accorded.

The Committee **kept the para pending** with the directions that the approval of the competent authority be got verified by audit.

(44.6) Manager Auqaf Sector-II, Lahore Rs.104,165/-

19.02.2007 The Department explained that the para consisted of three leases:-

1. Darbar Hazoori Shah

The Department explained that the recovery of the lesser rate for three year i.e. 1997-98 to 1999-2000 was under process and the concerned officer had been retired and his pension had been withheld. A notice had been issued to the concerned officer for recovery.

This **part was kept pending** for recovery.

2. Darbar Shah Babal Ghazi**3. Waqf Arazi Fazal Shah**

The Department explained that these two leases were not leased out at lesser rates and the record was available for verification.

The Committee **settled these two parts subject to verification** of record by audit.

47. Para No.45 Page 52 of Audit Report for the year 2001-2002; Irregular Expenditure Amounting to Rs. 895,292/- on Account of Advance Payment to WAPDA

19.02.2007 The Department explained that the paid bills valuing to Rs. 898,292/- were available on record. However, a bill was under process in WAPDA for adjustment because due to some clerical mistake, the bill had been issued for 11,235 units instead of 2,293 units and WAPDA authorities had been requested for adjustment of the said bill.

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

48. Para No.46 Page 53 of Audit Report for the year 2001-2002; Non-Surrendering of Savings/Unspent Balances Amounting to Rs.1,678,099/-

18.09.2006 The Department explained that the appropriation accounts for the same grant had already been settled by the PAC in its meeting held on 04-07-2005.

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

49. Para No.47 Page 54 of Audit Report for the year 2001-2002; Loss of Rs.116,000/- Due to Undue Favour to Contractor During Auction/ Contract.

19.02.2007 The Department explained that land measuring 939 kanals was auctioned on 20.10.2001 and half amount of Rs. 116,000/- was received on the occasion. However, at the time of taking possession the lease holder objected that several kanals were in the boundary of Rohi Nala and demanded for return of the deposit amount and the Chief Administrator of Auqaf issued orders to return the amount and get the land auctioned again. The Department had received a sum of Rs. 400,000/- from re-auction and the Chief Administrator was fully competent for refund of the aforesaid amount.

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

BOARD OF REVENUE

The paras were discussed in the meetings of PAC-II held on 17.07.2006, 18.07.2006 & 19.07.2006.

Audit paras (Revenue Receipts) for the year 2001-2002

- 1. Para No.2.1 Pages 43 & 44 of Audit Report for the year 2001-2002; Embezzlement of Government revenue on account of sale of non-judicial stamps-Rs.17,638,633/-**
-

17.07.2006 The Department explained that the responsible official i.e. sub-treasurer had been convicted for three years and his property had been attached by the DDO(R), Fateh Jang, in compliance with the orders of the accountability court Rawalpindi dated 16-7-2002. The auction of the said property was under process.

The Committee **kept the PDP pending** with the directions that the process of auction be completed within 90 days.

- 2. Para No.2.2 Pages 44 & 45 of Audit Report for the year 2001-2002; Non-realization of Stamp duty due to grant of in-admissible exemption-Rs.3,225,744/-**
-

- a) PDP No. 7207**

17.07.2006 The Department explained that the property was acquired under land acquisition Act 1894 in favour of RDA which was exempted from stamp duty under the said act.

Audit verified the contention of the department and recommended the PDP for settlement.

The PDP was settled.

- b) PDP No. 7759**

17.07.2006 The Department explained that the document No. 3061 was supplementary of previously Registered Document No.1356/1 dated 30-6-1997 which was properly stamped to the extent of Rs.100/-.

The Committee **settled the PDP subject to verification** of record by audit.

- 3. Para No.2.3 Pages 45, 46 & 47 of Audit Report for the year 2001-2002; Non/short-realization of registration fee on compulsorily registerable documents-Rs.1,247,185/-**
-

- (i) PDP No.7210 Sub-Registrar, Urban-I, Rawalpindi-Rs.75,058/-.**

17.07.2006 The Department explained that Rs. 1,131/- had been recovered and got verified by audit. Efforts were being made for the balance recovery.

The Committee **settled the PDP** subject to balance recovery and its verification by audit.

(ii) PDP No.7264 Sub-Registrar, Sadiqabad-Rs.21,630/-.

17.07.2006 The Department explained that Rs. 9,980/- had been recovered and got verified by audit. However, Rs. 11,650/- was not due.

Audit verified the contention of the Department and recommended the PDP for settlement.

The PDP was settled.

(iii) PDP No.7883 Sub-Registrar, Murree-Rs.25,122/-.

17.07.2006 The Department explained that the amount was not due as the document was Redemption deed off Small Industries Corporation which was exempted from registration fee.

Audit verified the contention of the Department and recommended the PDP for settlement.

The PDP was settled.

(iv) PDP No.7214 Sub-Registrar, Urban-II, Rawalpindi-Rs.18,772/-.

17.07.2006 The Department explained that Rs. 2,750/- had been recovered and got verified by audit. However, Rs. 16,022/- were not due.

Audit verified the contention of the Department and recommended the PDP for settlement.

The PDP was settled.

(v) PDP No.7819 Sub-Registrar, Nankana Sahib-Rs.35,100/-.

17.07.2006 The Department explained that the stamp duty had been charged properly and the record was available for verification.

The Committee settled **the PDP subject to verification** of record by audit.

(vi) PDP No.7814 Sub-Registrar, Jaranwala-Rs.26,528/-**(vii) PDP No.7811 Sub-Registrar, T.T. Singh-Rs.38,950/-****(viii) PDP No.7809 Sub-Registrar, Kamalia-Rs.14,350/-****(ix) PDP No.7758 Sub-Registrar, Saddar Faisalabad-Rs.42,000/-****(x) PDP No.7757 Sub-Registrar, City Faisalabad-Rs.12,500/-****(xi) PDP No.7530 Sub-Registrar, Gujrat-Rs.19,900/-**

(xii) PDP No.7343 Sub-Registrar, City Multan-Rs.16,080/-

(xiii) PDP No.7309 Sub-Registrar, Noshera Virkan-Rs.10,000/-

4. Para No.2.4 Pages 47, 48 & 49 of Audit Report for the year 2001-2002; Short-realization of registration fee due to application of incorrect rate – Rs.4,353,287/-

(b)

PDP No.7734 Sub-Registrar, Chichawatni - Rs.15,600/-.

5. Para No.2.6 Pages 51, 52 & 53 of Audit Report for the year 2001-2002; Short-realization of stamp duty due to under-valuation Rs.7,221,485/-

(a)

(i) PDP No.7754 Sub-Registrar Urban-I, Faisalabad - Rs.266,771/-

(ii) PDP No.7696 Sub-Registrar, Khanewal - Rs.31,666/-

(iii) PDP No.7690 Sub-Registrar, Sahiwal - Rs.24,944/-

(iv) PDP No.7689 Sub-Registrar, Yazman - Rs.12,000/-

(v) PDP No.7153 Sub-Registrar, Hassan Abdal - Rs.48,000/-

(vi) PDP No.7712 Sub-Registrar, Pindi Bhattian - Rs.24,200/-

(vii) PDP No.7265 Sub-Registrar, Liaqat Pur - Rs.10,000/-

(viii) PDP No.7213 Sub-Registrar Urban-II, Rawalpindi - Rs.26,600/-

(ix) PDP No.7205 Sub-Registrar Rural Rawalpindi - Rs.37,500/-

(x) PDP No.7866 Sub-Registrar Uch Sharif at Ahmad Pur - Rs.214,000/-

(b)

(i) PDP No.7610 Sub-Registrar Sadar Lahore - Rs.73,135/-.

(c)

(i) PDP No.7691 Sub-Registrar, Sahiwal - Rs.44,750/-.

6. Para No.2.7 Pages 55, 56 & 57 of Audit Report for the year 2001-2002; Short-realization of stamp duty and registration fee Rs.3,646,347/-

(c)

(i) PDP No.7808 Sub-Registrar, Kamaliya - Rs.22,017/-.

17.07.2006 The Department explained that in the above mentioned PDPs, the observation of audit had been properly addressed and audit had recommended these PDPs for settlement.

Audit verified the contention of the Department and **the PDPs were settled.**

7. Para No.2.3 Pages 45, 46 & 47 of Audit Report for the year 2001-2002; Non/short-realization of registration fee on compulsorily registerable documents-Rs.1,247,185/-

(i) PDP No.7163 Sub-Registrar, Chakwal-Rs.50,070/-.

17.07.2006 The Department explained that the notices for recovery had been issued to the concerned parties and efforts were being made for early recovery.

The Committee **kept the PDP pending** with the directions that the recovery be made at the earliest.

(ii) PDP No.7816 Sub-Registrar, Jaranwala-Rs.91,980/-.

17.07.2006 The Department explained that Rs. 58,340/- had been recovered and deposited into the government treasury. Efforts were being made for the recovery of remaining amount.

The Committee reduced the PDP to the extent of recovery subject to verification by audit and desired that the balance recovery be made at the earliest.

The PDP was kept pending.

(iii) PDP No.7581 Sub-Registrar, Saddar Lahore-Rs.10,585/-.

(iv) PDP No.7723 Sub-Registrar, Urban Multan-Rs.96,360/-.

17.07.2006 The Department explained that the registration fee had been charged according to the prevalent law.

Audit was of the view that the fee was not charged as per the Stamp Duty Act.

The Committee **kept the PDPs pending** for interpretation of the said rule within 90 days.

(v) PDP No.7361 Sub-Registrar, Kot Radha Kishan-Rs.11,670/-.

17.07.2006 The Department explained that the total amount of Rs. 11,670/- had been recovered.

The Committee **settled the PDP subject to verification** of recovery by audit.

(vi) PDP No.7305 Sub-Registrar, Urban-II, Gujranwala-Rs.19,800/-.

17.07.2006 The Department explained that the deeds listed in this PDP were mortgage deeds and the proper stamp duty on the amount of mortgages had been charged as per the standing instructions of the government.

The Committee **kept the PDP pending** for verification of record by audit.

(vii) PDP No.7360 Sub-Registrar, Kot Radha Kishan-Rs.12,535/-

17.07.2006 The Department explained that total amount of Rs. 12,535/- had been recovered and deposited into the government treasury.

The Committee **settled the PDP subject to verification** of recovery by audit.

(viii) PDP No.7726 Sub-Registrar Rural, Multan-Rs.193,120/-

17.07.2006 The Department explained that notice for the recovery of Rs. 8,920/- had been issued to the owner of Oil Mill to deposit the amount into the government treasury.

The Committee **kept the PDP pending** with the directions that the recovery be made within 90 days.

(ix) PDP No.7862 Sub-Registrar, Jatoi-Rs.178,600/-

17.07.2006 The Department explained that Rs. 10,000/- had been recovered and for the remaining amount a civil suit had been filed in the court of Senior Civil Judge, Muzafargarh by the concerned parties.

The PDP was kept pending being subjudice in the court of law.

(x) PDP No.7301 Sub-Registrar, Urban-I, Gujranwala-Rs.21,265/-

17.07.2006 The Department explained that Rs. 8,225/- had been recovered and the rest amount was not due as the property was situated in the rural area.

The PDP was kept pending for verification whether the property was situated in urban or rural area.

(xi) PDP No.7694 Sub-Registrar, Fortabbas-Rs.125,080/-**(xii) PDP No.7415 Sub-Registrar, Arifwala-Rs.25,720/-**

17.07.2006 The Department explained that the total amount had been recovered and deposited into the government treasury.

The PDPs were settled subject to verification of recovery by Audit.

(xiii) PDP No.7146 Sub-Registrar, Hazro-Rs.54,410/-

17.07.2006 The Department explained that Rs. 46,610/- had been recovered and got verified by audit. Efforts were being made for the balance recovery.

The Committee reduced the PDP to the extent of recovery and desired that the balance amount be recovered at the earliest.

The PDP was kept pending.

8. **Para No.2.4 Pages 47, 48, 49 & 50 of Audit Report for the year 2001-2002; Short-realization of registration fee due to application of incorrect rate-Rs.4,353,287/-**
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(a)

- (i) PDP No.7342 Sub-Registrar, (City), Multan-Rs.78,730/-.
- (ii) PDP No.7526 Sub-Registrar, Jhelum-Rs.35,130/-.
- (iii) PDP No.7170 Sub-Registrar, Sargodha-Rs.33,125/-.
- (iv) PDP No.7212 Sub-Registrar, (Urban-II), Rawalpindi-Rs.2,381,200/-.
- (v) PDP No.7303 Sub-Registrar, (Urban-II), Gujranwala-Rs.248,562/-.
- (vi) PDP No.7882 Sub-Registrar, Murree-Rs.59,150/-.
- (vii) PDP No.7523 Sub-Registrar, Jehlum-Rs.491,385/-.

17.07.2006 The Department explained that the deeds were related to conveyance/transfer of lease hold rights under Article 63 of Schedule-1 of Stamp Act 1899 for which Stamp Duty was charged @4% as transfer of lease hold rights. These were not lease for which Registration Fee was chargeable @5/8 of the Stamp Duty but as required for conveyance for which Stamp Duty @4% had been charged under Article 63 of Schedule-1 of Stamp Act 1899 Registration Fee @1% was properly charged under Article 1(i) (b)(iii) of Table of Registration Fee.

The Committee **kept these PDPs pending** for verification by audit whether these deeds were related to sub-lease or under lease before the next meeting.

(b)

- (i) PDP No.7614 Sub-Registrar, Lahore Cantt:-Rs.23,050/-.

17.07.2006 The Department explained that Rs. 2,356/- had been recovered on account of stamp duty and registration fee while the remaining amount which was related to serial No. 3 & 4 was not due as the property was situated in Thala Khurd and Moula Singhwala which were in the rating area.

The PDP was kept pending for clarification whether the property was situated in rural or urban area before the next meeting.

- (ii) PDP No.7615 Sub-Registrar, Saddar, Lahore-Rs.92,420/-.

(iii) **PDP No.7402 Sub-Registrar, Depalpur-Rs.274,004/-.**

17.07.2006 The Department explained that in all the deeds, the properties were situated in rural area, the stamp duty on all such documents was required to be charged 4% Stamp Duty 1% Registration Fee but in this case excessive i.e. 5% Stamp duty and Rs. 50/- fixed Registration Fee was charged as required for urban areas although it required 4% only. No loss was sustained to the government exchequer.

The PDPs were settled subject to verification of record by Audit.

(iv) **PDP No.7616 Sub-Registrar, Model Town, Lahore-Rs.181,221/-**

17.07.2006 The Department explained that the property transferred was situated in the pocket area which was exempted under section 3 of the Punjab Urban Immovable Property Tax Act 1958. Therefore, the amount was not due.

Audit verified the contention of the Department and **the PDP was settled.**

(v) **PDP No.7720 Sub-Registrar, Chanab Nagar-Rs.81,745/-.**(vi) **PDP No.7717 Sub-Registrar, Jhang-Rs.14,240/-.**

17.07.2006 The Department explained that the fixed registration fee was charged which was applicable to the rating area although the property registered in the above mentioned PDPs were situated in the areas which were not declared as rating area. Government had not sustained any loss whether excessive rate of stamp duty was charged.

The PDPs were kept pending for verification of record by audit.

(vii) **PDP No.7728 Sub-Registrar, (Rural), Multan-Rs.31,460/-.**

(c)

(i) **PDP No.7307 Sub-Registrar, Noshera Virkan**

17.07.2006 The Department rebutted the audit objection and requested that verification was required in these PDPs.

The PDPs were kept pending for verification by audit.

9. Para No.2.5 Pages 50 & 51 of Audit Report for the year 2001-2002; Unlawful exemption from stamp duty and registration fee Rs.170,730/-

(i) **PDP No.7358 Sub-Registrar, Pattoki-Rs.69,480/-.**

17.07.2006 The Department explained that the documents mentioned in the PDP were related to Tamlik in favour of legal heirs. Therefore, no stamp duty was applicable.

The Committee accepted the explanation of the Department and **the PDP was settled.**

(ii) **PDP No.7362 Sub-Registrar, Chunian-Rs.101,250/-.**

17.07.2006 The Department explained that the documents under objection was related to gift deed which was executed by father in favour of his son which was exempted from levy of stamp duty and registration fee.

The Committee accepted the explanation of the Department and **the PDP was settled.**

9. Para No.2.6 Pages 51, 52, 53 & 54 of Audit Report for the year 2001-2002; Short-realization of stamp duty due to under-valuation Rs.7,221,485/-

(a)

(i) **PDP No.7556 Sub-Registrar, Urban-II, Faisalabad-Rs.100,935/-**

17.07.2006 The Department explained that the deeds mentioned in the PDP were properly stamped according to the valuation table.

The Committee accepted the explanation of the Department and **the PDP was settled.**

(ii) **PDP No.7698 Sub-Registrar, Mian Channu-Rs.230,000/-**

17.07.2006 The Department explained that the concerned Registrar had been directed to recover the amount at the earliest.

The Committee **kept the PDP pending** with the directions that the amount be recovered within 90 days.

(iii) **PDP No.7692 Sub-Registrar, Chishtian-Rs.19,925/-.**

17.07.2006 The Department explained that notices for recovery had been issued to the concerned authorities and efforts were being made for early recovery.

The Committee **kept the PDP pending** with the direction that recovery be made within 90 days.

(iv) **PDP No.7143 Sub-Registrar, Attock-Rs.84,325/-.**

17.07.2006 The Department explained that Rs.29,750/- had been recovered and efforts were being made for the balance recovery.

The Committee **kept the PDP pending** with the directions that the balance recovery be made within 90 days.

(v) **PDP No.7812 Sub-Registrar, Jaranwala-Rs.1,600,126/-.**

17.07.2006 The Department explained that Rs. 80,620/- had been recovered and efforts were being made for the balance recovery.

The Committee reduced **the PDP to the extent of recovery subject to verification** by audit and desired that balance recovery be made within 90 days.

The PDP was kept pending.

(vi) **PDP No.7168 Sub-Registrar, Hazro-Rs.6000/-.**

17.07.2006 The Department explained that the property was situated outside the local limits and documents had been properly stamped.

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

(vii) **PDP No.7172 Sub-Registrar, Khushab-Rs.192,670/-.**

17.07.2006 The Department explained that the documents in question related to Housing & Physical Planning Department. Thus the valuation table was not applicable for the first transaction in the light of the government instructions.

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

(viii) **PDP No.7173 Sub-Registrar, Khushab-Rs.100,000/-.**

17.07.2006 The Department explained that the notices for recovery had been issued to the concerned authorities and efforts were being made for early recovery.

The PDP was kept pending with the directions that the recovery be made within 90 days.

(ix) **PDP No.7175 Sub-Registrar, Mianwali-Rs.14,038/-.**

17.07.2006 The Department explained that the documents were actually related to serial No. 2 of the valuation table and the stamp duty had been charged according to the price of property including structure of Rs. 20,000/-.

The Committee reduced **the PDP to the extent of recovery subject to its verification** by audit and desired that the balance amount be recovered within 90 days.

(x) **PDP No.7693 Sub-Registrar, Fortabbas-Rs.48,486/-.**

17.07.2006 The Department explained that the stamp duty had already been charged according to the valuation table issued by the Collector.

The Committee settled the PDP subject to verification by audit.

(xi) **PDP No.7162 Sub-Registrar, Chakwal-Rs.455,755/-.**

17.07.2006 The Department explained that Rs.61,855/- had been recovered and notice for the balance recovery had been issued.

The Committee reduced the **PDP to the extent of recovery subject to verification** by audit and desired that balance amount be recovered within 90 days.

(xii) **PDP No.7142 Sub-Registrar, Attock-Rs.183,000/-.**

17.07.2006 The Department explained that the notices were issued to the parties for recovery and the parties filed a civil suit against the sub-registrar in the court of civil judge. The civil court had passed an ex-parte decree in favour of the appellant.

The Committee **kept the PDP pending** with the directions that if the decision was against the law/rules then appeal be filed in the next higher court.

(xiii) **PDP No.7724 Sub-Registrar, Urban Multan-Rs.32,700/-.**

17.07.2006 The Department explained that the property under observation was located at Chak Banglewala but audit had erroneously calculated the rate approved for the Peer Colony in the valuation table.

The PDP was kept pending for verification of record by audit.

(xiv) **PDP No.7536 Sub-Registrar, Mandi Bhauddin-Rs.135,600/-.**

17.07.2006 The Department explained that Rs.22,050/- had been recovered and efforts were being made for the balance recovery.

The PDP was reduced to the extent of recovery and the Committee desired that the balance amount be recovered within 90 days.

The PDP was kept pending.

(xv) **PDP No.7535 Sub-Registrar, Mandi Bhauddin-Rs.104,800/-.**

17.07.2006 The Department explained that the property was situated in non-rating areas which had been properly charged.

The PDP was settled subject to verification of record by audit.

(xvi) **PDP No.7532 Sub-Registrar, Gujrat-Rs.106,500/-.**

17.07.2006 The Department explained that the property in question had properly been valued according to serial No. 32 of valuation table.

The PDP was kept pending for verification of record by audit.

(xvii) **PDP No.7870 Sub-Registrar, Shahpur-Rs.83,600/-.**

17.07.2006 The Department explained that actually the para was related to Sheikhpura but the name of formation had wrongly been mentioned as Shahpur.

The PDP was kept pending for verification of record by audit.

(xviii) **PDP No.7578 Sub-Registrar, Rajanpur-Rs.82,275/-.**

17.07.2006 The Department explained that Rs. 47,525/- had been recovered and the matter relating to deed No. 518 was pending in the civil court. For the remaining amount Rs. 16,250/- notices for recovery had been issued.

The PDP was reduced to the extent of recovery and the Committee desired that the remaining amount be recovered within 90 days. The case in the civil court be pursued.

The PDP was kept pending.

(xix) **PDP No.7522 Sub-Registrar, Jehlum-Rs.232,000/-.**

17.07.2006 The Department explained that Rs. 12,320/- had been recovered and for remaining amount recovery proceedings were under process.

The Committee reduced **the PDP to the extent of recovery** and desired that the balance amount be recovered within 90 days.

(xx) **PDP No.7267 Sub-Registrar, Bahawalpur-Rs.165,335/-.**

17.07.2006 The Department explained that the amount had been declared as arrears of land revenue and parties had filed a civil suit in the court of law.

The Committee **kept the PDP pending** being subjudice and desired that the case be pursued vigorously.

(xxi) **PDP No.7711 Sub-Registrar, Pindi Bhattian-Rs.26,530/-.**

17.07.2006 The Department explained that the Stamp Duty and Registration fee had been charged according to the valuation table issued by the collector.

The PDP was settled subject to verification of record by audit.

(xxii) **PDP No.7718 Sub-Registrar, Jhang-Rs.42,100/-.**

17.07.2006 The Department explained that no rates were fixed in 1990 for Chak Germond, therefore rates were fixed by field staff on the basis of Aust Bay and was charged as Agricultural Land.

The PDP was kept pending for verification of record by audit.

(xxiii) PDP No.7579 Sub-Registrar, Bhakkar-Rs.48,790/-.

17.07.2006 The Department explained that Rs. 39,490/- had been recovered and for the remaining amount efforts were being made for early recovery.

The Committee reduced **the PDP to the extent of recovery** and desired that the balance amount be recovered within 90 days.

(xxiv) PDP No.7607 Sub-Registrar, Model Town, Lahore-Rs.53,700/-.

17.07.2006 The Department explained that the property under objection was an agriculture land which was not declared as rating area.

The PDP was kept pending for verification of record by audit.

(xxv) PDP No.7608 Sub-Registrar, Lahore Cantt:-Rs.85,199/-.

17.07.2006 The Department explained that Moza Battana was not located in the rating area and therefore the rates were charged for the urban area.

The PDP was kept pending for verification of record by audit.

(xxvi) PDP No.7877 Sub-Registrar, Pindi Gabe-Rs.186,200/-.

17.07.2006 The Department explained that Rs. 10,880/- had been recovered and the balance recovery was related to deed No. 359 and the parties had filed a civil suit in the court of law.

The PDP was kept pending being subjudice.

(xxv) PDP No.7875 Sub-Registrar, Kahuta-Rs.28,025/-.

17.07.2006 The Department explained that the notices had been issued to the defaulters and the efforts were being made for early recovery.

The Committee **kept the PDP pending** with the directions that the recovery be made at the earliest.

(xxvi) PDP No.7524 Sub-Registrar, Jehlum-Rs.59,320/-.

17.07.2006 The Department explained that Rs. 27,210/- had been recovered and the balance amount was not due.

The PDP was kept pending for verification of record by audit.

(b)

- (i) PDP No.7898 Tehsildar, Kahuta-Rs.61,000/-
- (ii) PDP No.7688 Sub-Registrar, Yazman-Rs.12,100/-
- (iii) PDP No.7880 Sub-Registrar, Murree-Rs.127,400/-
- (iv) PDP No.7300 Sub-Registrar, Urban Gujranwala-Rs.36,800/-

17.07.2006 The Department explained that the properties under observations were situated in the non-rating area. Therefore, stamp duty was charged @4% which was applicable at the time of execution of documents.

The PDPs were kept pending for verification of record by audit.

- (v) PDP No.7709 Sub-Registrar, Pindi Bhattian-Rs.10,690/-

17.07.2006 The Department explained that total recovery had been made.

The PDP was settled subject to verification of record by audit.

(c)

- (i) PDP No.7151 Sub-Registrar, Fateh Jhang-Rs.184,990/-

17.07.2006 The Department explained that the deed No. 542 was actually an exchange deed and both the properties mentioned in the deed were situated in rural areas and stamp duty was accordingly charged. The deficiency of Rs. 152,300/- in document No. 155 had been declared as arrears of land revenue. It was also stated that Rs. 18,550/- had been recovered which were related to deed No. 149 and 650.

The Committee reduced the para to the extent of recovery and desired that the balance amount be recovered within 90 days and record be got verified by audit.

The PDP was kept pending.

- (ii) PDP No.7144 Sub-Registrar, Attock-Rs.64,800/-

17.07.2006 The Department explained that Rs. 42,000/- had been recovered and efforts were being made for the balance recovery.

The Committee reduced the PDP to the extent of recovery and desired that balance recovery be made within 90 days.

The PDP was kept pending.

10. Para No.2.6 Pages 51, 52, 53 & 54 of Audit Report for the year 2001-2002; Short-realization of stamp duty due to under-valuation Rs.7,221,485/-.

- (i) PDP No.7609 Sub-Registrar, Lahore Cantt:-Rs.31,841/-.
- (ii) PDP No.7606 Sub-Registrar, Model Town, Lahore-Rs.94,648/-
- (iii) PDP No.7695 Sub-Registrar, Burewala-Rs.134,800/-
- (iv) PDP No.7150 Sub-Registrar, Fateh Jhang-Rs.113,520/-
- (v) PDP No.7807 Sub-Registrar, Kamalia-Rs.104,816/-
- (vi) PDP No.7171 Sub-Registrar, Urban Sargodha-Rs.16,417/-
- (vii) PDP No.7879 Sub-Registrar, Murree-Rs.199,127/-
- (viii) PDP No.7359 Sub-Registrar, Pattoki-Rs.40,700/-
- (ix) PDP No.7352 Sub-Registrar, Kasur-Rs.21,550/-
- (x) PDP No.7577 Sub-Registrar, D.G. Khan-Rs.139,688/-
- (xi) PDP No.7141 Sub-Registrar, Attock-Rs.404,163/-
- (xii) PDP No.7756 Sub-Registrar, Urban-II, Faisalabad-Rs.100,935/-

17.07.2006 Audit had pointed out short realization of stamp duty due to under valuation in the aforesaid paras.

The Department explained that sites involved in the aforesaid paras had wrongly been taken by audit as Urban whereas these properties were actually located in Rural areas and therefore, short realization was not involved in the aforesaid cases.

The paras were kept pending for the next day for further consideration.

On 18.7.2006, the Committee was not satisfied with the explanation of the Department and decided to appoint a Sub-Committee-I of PAC-II comprising the following:-

- | | | |
|----|--|-----------------|
| 1. | Makhdoom Syed Iftikhar Hassan Gillani, MPA (PP-267), | Convener |
| 2. | Sardar Muhammad Rafique Ahmad, MPA (PP-107) | Member |
| 3. | Malik Zulqarnain Dogar, MPA (PP-172) | Member |

The Sub-Committee shall be assisted by Chief Inspector of Stamps, BOR, Director Revenue Receipts Audit and a representative from the Finance Department. The Sub-Committee shall probe into the aforesaid cases in the light of valuation table and relevant record and submit its report to the PAC-II within three months for further consideration.

The paras were kept pending.

11. Para No.2.7 Pages 55, 56 & 57 of Audit Report for the year 2001-2002; Short-realization of stamp duty and Registration fee Rs.3,646,347/-

(a) PDP No.7417 Sub-Registrar, Pattoki

17.07.2006 The Department explained that the document No. 266 was a sale deed of land valuing to Rs. 10 million which was assessed by the Lahore High Court Lahore and thus stamp duty was charged on the value fixed by the Lahore High Court Lahore. On a query from the Committee, the department stated that the actual value of the land was more than the assessed by the court.

The Committee **kept the para pending** with the directions that disciplinary action be taken against the concerned officers who were responsible for not filing appeal in the apex court against the orders of the Lahore High Court Lahore.

(b) PDP No.7203 Sub-Registrar, Rural Rawalpindi.

17.07.2006 The Department explained that the stamp duty was chargeable on the amount of mortgage secured. In the present case, the amount through mortgage was properly stamped.

The PDP was kept pending for verification of record by audit.

(c)

(i) PDP No.7534 Sub-Registrar, Mandi Bahauddin-Rs.68,325/-.

17.07.2006 The Department explained that only Rs. 2,000/- were recoverable for which notices had been issued and the balance amount was not due.

The PDP was kept pending for verification of record and desired that the recoverable amount be recovered within 90 days.

(ii) PDP No.7174 Sub-Registrar, Mianwali-Rs.208,400/-.

17.07.2006 The Department explained that total recovery had been made and deposited into the government treasury.

The Committee **settled the PDP subject to verification** of recovery by audit.

(iii) PDP No.7813 Sub-Registrar, Jaranwala-Rs.46,155/-.

17.07.2006 The Department explained that Rs. 36,500/- had been recovered and the efforts were being made for recovery of the remaining amount.

The Committee **kept the PDP pending** with the directions that the recovery be made within 90 days.

12. Para No.2.8 Pages 57 & 58 of Audit Report for the year 2001-2002; In-admissible refund of time-barred claim-Rs.393,741/-.

(i) PDP No.7876 District Officer, Revenue, Attock-Rs.166,756/-.

17.07.2006 The Department explained that the reply of DO(R) was not correct. The claims had been refunded considering that DO(R) had power to refund hardship cases. In fact these powers had been withdrawn from the Collector and the Chief Controlling Revenue Authority was only competent to allow such refund.

The Committee **kept the PDP pending** with the directions that the amount be recovered within 90 days.

(ii) PDP No.7852 Deputy Commissioner, Lahore-Rs.226,985/-.

17.07.2006 The Department explained that the matter required verification and requested that the PDP be kept pending for verification of record by audit.

The Committee **kept the PDP pending for verification** of record by audit.

13. Para No.2.9 Page 58 of Audit Report for the year 2001-2002; Non-recovery of arrears of stamp duty pointed out by Inspector of Stamps-Rs.2,314,138/-

(i) PDP No.7538 Sub-Registrar, Mandi Bahauddin-Rs.309,993/-

17.07.2006 The Department explained that the notices for recovery had been issued to the concerned authority and efforts were being made for early recovery.

The Committee **kept the PDP pending** with the directions that recovery be made within 90 days.

(ii) PDP No.7521 Sub-Registrar, Bhalwal-Rs.28,512/-.

17.07.2006 The Department explained that total recovery had been made and deposited into the government treasury.

The Committee **settled the PDP subject to verification** of recovery by audit.

(iii) PDP No.7826 Tehsildar City, Lahore-Rs.1,975,633/-.

17.07.2006 The Department explained that the valuation table relating to years 1991-92, 1993-94 was declared as null and void by the Lahore High Court Lahore vide his judgment dated 10-5-1993 in the case "Mst. Sobia Hanif vs Collector", with the direction that stamp duty could only be charged on the basis of valuation table published in the official gazette.

The Committee accepted the explanation of the Department and **the PDP was settled.**

- 14. Para No.2.10 Pages 59 & 60 of Audit Report for the year 2001-2002; Non-realization of Government revenue due to non-renewal of arms and ammunition licenses-Rs.5,890,000/-.**
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(i) **PDP No.7899 D.C.O. Lahore-Rs.5,760,000/-.**

17.07.2006 The Department explained that the Licenses of Arms & Ammunition were renewed through Post Office. The office had however, issued notices to the licenses holders to produce copies of renewed licenses, so that these could be verified whether the same were properly stamped or not.

The PDP was kept pending for verification of record by audit.

(ii) **PDP No.7216 D.C.O. Rawalpindi-Rs.130,000/-.**

17.07.2006 The Department explained that Rs. 110,000/- had been recovered and the balance amount was not due as the license holder had closed his shop since long.

The PDP was kept pending for verification of record by Audit.

- 15. Para No.2.11 Pages 60, 61 & 62 of Audit Report for the year 2001-2002; Non-recovery of arrears of water charges (Abiana) Rs.177,217,900/-.**
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- 16. Para No.2.13 Pages 64 & 65 of Audit Report for the year 2001-2002; Non-recovery of Abiana even after expiry of stay order Rs.76,579,463/-.**
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- 17. Para No.2.14 Pages 65, 66, 67 & 68 of Audit Report for the year 2001-2002; Non-realization of 10 per cent surcharge for late payment of Abiana-Rs.5,654,984/-**
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18.07.2006 The Department explained that total recoverable amount for the year 2001-2002 was Rs. 273,796,876/- and Rs. 721,72,743/- had been recovered which was 26% of the recoverable amount. It was also stated that efforts were being made for effecting recovery of the remaining amount.

The Committee **kept the paras pending** with the directions that the recovery be made within 90 days and a progress report thereto be submitted to PAC.

- 18. Para No.2.12 Pages 63 & 64 of Audit Report for the year 2001-2002; Non-realization of Abiana due to omission in carrying forward of outstanding balances-Rs.13,444,188/-**
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18.07.2006 Audit stated that in order to keep a correct account of recoverable amount, any amount outstanding at the end of the year was to be brought forward to the subsequent year's Crop's demand register but certain authorities had not recovered the demand of ABIANA in full and outstanding amount was also not brought forward to the

subsequent year's Crop's demand register, resultantly, an amount of Rs. 13,444,188/- remained un-accounted for.

The Department admitted this lapse/negligence on the part of the concerned formations.

The Committee **kept the para pending** with the directions that disciplinary action be taken against the responsible officers/officials and recovery be made within 90 days.

19. Para No.2.15 Pages 68 & 69 of Audit Report for the year 2001-2002; Non/short-realization of mutation fee-Rs.900,341/-

18.07.2006 Audit stated that certain authorities had either charged Mutation Fee at low rates then the applicable rates or had not charged it at all. This was the gross negligence of field staff which resulted in non/short realization of government revenue of Rs. 900.341 in 486 cases.

The Department admitted the negligence of the field staff.

The Committee **kept the para pending** with the directions that disciplinary proceedings be initiated against the responsible officers/officials and recovery be made within 90 days.

Audit Paras (Civil) for the year 2001-2002

20. Para No.1 Page 8 of Audit Report for the year 2001-2002; Non-Accountal of Rs.232,635/- On Account of Electricity Charges.

18.07.2006 The Department explained that the concerned formation had reported that record pertaining to the audit para was available for verification.

The para was kept pending for verification of record by audit on 25 & 26 May 2007.

21. Para No.2 Pages 8 & 9 of Audit Report for the year 2001-2002; Loss On Account of Non-Deposit of Fine of Rs.101,350/-.

18.07.2006 The Department explained that total fine had been deposited in to the government treasury and record was available for verification.

The para was settled subject to verification of record by audit.

22. Para No.3 Page 9 of Audit Report for the year 2001-2002; Doubtful Disbursement of Rs.114,000/- on Account of Hiring Charges of Vehicles During Muharam.

18.07.2006 The Department explained that such payments were usually made to the concerned persons after preparing prescribed receipts with the assistance of official

assigned the duty. It was also stated that the payment for Moharram duty were made to transporters for twelve days instead of ten days.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

23. Para No.4 Pages 10, 11, 12 & 13 of Audit Report for the year 2001-2002; Non-Recovery of Rs.14,175,644/-on Account of Lease Money of Katchery Compound

- (1) Assistant Commissioner, Fort Abbas-Rs.268,076/-.
- (2) Deputy Commissioner, Sheikhpura-Rs.156,750/-.
- (3) Deputy Commissioner, Sialkot-Rs.176,665/-.
- (4) Deputy Commissioner, Sheikhpura-Rs.276,000/-.
- (5) Deputy Commissioner, Sahiwal-Rs.262,500/-.
- (6) Deputy Commissioner, Rawalpindi-Rs.7,254,000/-.
- (7) Assistant Commissioner, Taunsa-Rs.44,400/-.
- (8) Deputy Commissioner, Bahawalpur-Rs.74,176/-.
- (9) Deputy Commissioner, Bahawalpur-Rs.331,166/-.
- (10) Deputy Commissioner, Okara-Rs.92,854/-.
- (12) Deputy Commissioner, Lahore-Rs.108,000/-.
- (13) Deputy Commissioner, Jhang-Rs.127,500/-.
- (14) Deputy Commissioner, Sahiwal-Rs.345,000/-.
- (15) Deputy Commissioner, Rawalpindi-Rs.84,000/-.
- (16) Deputy Commissioner, Faisalabad-Rs.131,917/-.
- (17) Deputy Commissioner, Dera Ghazi Khan-Rs.189,445 /-.
- (18) Deputy Commissioner, Dera Ghazi Khan-Rs.186,480/-.
- (19) Assistant Commissioner, Sadiqabad-Rs.244,400/-.
- (20) Deputy Commissioner, Muzaffargarh-Rs.683,075/-.
- (22) Secretary, Board of Revenue, Lahore-Rs.200,000/-.
- (23) Deputy Commissioner, Jhang-Rs.14,400/-.
- (24) Deputy Commissioner, Gujrat-Rs.312,000/-.
- (25) Deputy Commissioner, Muzaffargarh-Rs.19,200/-.
- (27) Assistant Commissioner, Minchinabad-Rs.127,080/-.

- (28) Assistant Commissioner, Haroonabad-Rs.107,730/-.
- (29) Assistant Commissioner, Chishtian-Rs.95,200/-
- (30) Deputy Commissioner, Pakpattan-Rs.120,000/-
- (31) Deputy Commissioner, Vehari-Rs.257,760/-
- (32) Deputy Commissioner, Vehari-Rs.47,250/-
- (33) Deputy Commissioner, Multan-Rs.430,500/-
- (34) Deputy Commissioner, Multan-Rs.180,000/-
- (35) Deputy Commissioner, Multan-Rs.126,000/-
- (36) Deputy Commissioner Officer Rajanpur-Rs.22,220/-

18.07.2006 The Department explained that the advocates were reluctant to pay the rent of their chambers located in the Katchery Compound on the plea that they were assisting the courts thus they should be provided free accommodation. It was also stated that a DO letter had been written to the Chief Secretary for taking up the matter with the Chief Minister and Vice Chairman of the Punjab Bar Council.

The Committee **kept the paras pending** with the directions that the Administrative Department should take up the matter with the Law Minister and Chief Executive of the Province.

- (11) Deputy Commissioner, Sargodha-Rs.45,000/-.
- (21) Deputy Commissioner, Faisalabad-Rs.910,000/-.
- (26) Deputy Commissioner, Jehlum-Rs.144,900/-.

18.07.2006 The Department explained that necessary action in respect of aforesaid paras had been completed and fact had been got verified by Audit.

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

24. Para No.5 Pages 13 & 14 of Audit Report for the year 2001-2002; Recovery of Rs.61,515,643 /-on Account of Agriculture Income Tax and Water Charges.

(5.1) Assistant Commissioner, Minchinabad-Rs.15,722,442/-

18.07.2006 The Department explained that the agricultural income tax upto 12/2001 Rs.1085921/- had been recovered and deposited into government treasury. Out of water charges a sum of Rs.11,192,807/- had been recovered and deposited into government treasury.

The para was reduced to the extent of recovery and the Committee desired that balance recovery be made at the earliest.

The para was kept pending.

(5.2) Assistant Commissioner, Haroonabad-Rs.4,028,131/-.

18.07.2006 The Department explained that the entire outstanding amount regarding agriculture income tax and water charges had been recovered and deposited into government treasury.

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

(5.3) Assistant Commissioner, Bahawalnagar-Rs.32,350,750/-.

18.07.2006 The Department explained that total recovery had been made and deposited into the government treasury.

The Committee settled the para.

(5.4) Assistant Commissioner, Chishtian-Rs.4,360,704/-.

18.07.2006 The Department explained that total recovery on account of agricultural income tax and water charges had been affected and deposited into the government treasury.

The Committee **settled the para subject to verification** of recovery by audit.

(5.5) Assistant Commissioner, Fort Abbas-Rs.5,053,616/-.

18.07.2006 The Department explained that out of recoverable amount of Rs.2,252,137/- of agricultural income tax an amount of Rs. 2181,637/- had been recovered leaving a balance of Rs.70,500/-. Similarly, out of total amount of Rs. 2801,479/- on account of water charges, an amount of Rs. 27,62,099/- had been recovered leaving a balance of Rs. 39,380/-. Efforts were being made for the balance recovery.

The Committee **kept the para pending** with the directions that the recovery be made at the earliest.

25. Para No.6 Pages 14 & 15 of Audit Report for the year 2001-2002; Recovery of Rs.230,669/- Due to Non-Deduction of Income Tax.

(6.1) Deputy Commissioner, Faisalabad-Rs.82,471/-.

18.07.2006 The Department explained that Rs. 4001/- had been recovered and efforts were being made for the balance recovery.

The para was kept pending with the directions that the recovered amount be got verified by audit and the balance amount be recovered at the earliest.

(6.2) Commissioner, Dera Ghazi Khan-Rs.10,082/-.

18.07.2006 The Department explained that total amount had been recovered and deposited into the government treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(6.3) Commissioner, Multan-Rs.40,077/-.

18.07.2006 The Department explained that the income tax was to be calculated on the net amount of the bill excluding GST and recovery of income tax of Rs. 18,441/- had been made and deposited into the government treasury.

The para was kept pending for tomorrow for verification of CBR instructions.

On 19-7-2006, Audit produced the letter of CBR dated 12-12-1996 in favour of his contention.

The para was kept pending for clarification of rules.

(6.4) Deputy Commissioner, Sheikhpura-Rs.31,275/-.

18.07.2006 The Department explained that the income tax was not leviable at the auction of the Katchery Compound.

The para was kept pending for tomorrow for clarification of relevant law/rules.

On 19-7-2006, audit stated that income tax was leviable on auction money as per section 50(4) of the Income Tax Ordinance, 1997.

The para was kept pending.

(6.5) Deputy Commissioner, Sialkot-Rs.20,542/-.

18.07.2006 The Department explained that Rs. 48,650/- had been recovered and efforts were being made for the balance recovery.

The para was reduced to the extent of recovery subject to verification of audit and **kept pending** for balance recovery.

(6.6) Commissioner, Lahore-Rs.46,222/-.

18.07.2006 The Department explained that the notices for recovery had been issued to the concerned firms and recovery would be made at the earliest.

The Committee kept the para pending.

26. Para No.7 Pages 15, 16 & 17 of Audit Report for the year 2001-2002; Recovery of Rs.3,142,667/- on Account of Excess Calls on residential Telephones

- (1) Deputy Commissioner, Kasur-Rs.696,350/-.
- (2) Deputy Commissioner, Attock-Rs.135,588/-.
- (3) Deputy Commissioner, Sahiwal-Rs.114,166/-.
- (4) Deputy Commissioner, Rawalpindi-Rs.107,653/-.
- (5) Deputy Commissioner, Faisalabad-Rs.73,829/-.
- (6) Commissioner, Multan-Rs.17,747/-.
- (7) Assistant Commissioner, Taunsa-369,873/-.
- (8) Secretary Board of Revenue, Lahore-Rs.62,372/-.
- (9) Deputy Commissioner, Sheikhpura-Rs.485,627/-.
- (10) Assistant Commissioner, Bahawalnagar-Rs.137,192/-.
- (11) Commissioner, Rawalpindi-Rs.55,712/-.
- (12) Assistant Commissioner, Sadiqabad-Rs.113,302/-.
- (13) Additional Commissioner (Cons), Bahawalpur-Rs.25,572/-.
- (14) Additional Commissioner (Cons), Bahawalpur-Rs.57,119/-.
- (15) Commissioner, Lahore-Rs.215,536/-.
- (16) Deputy Commissioner, Vehari-Rs.209,525/-.
- (17) Deputy Commissioner, Vehari-Rs.169,361/-.
- (18) Deputy Commissioner, Layyah-Rs.36,491/-.
- (19) Deputy Commissioner, Rajanpur-Rs.59,752/-.

18.07.2006 The Department explained that the Finance Department had declared the residences of Commissioners and Deputy Commissioners as camp offices. The cases of excess calls of the Commissioners and Deputy Commissioners had been submitted to the Finance Department for regularizations. It was also stated that recovery of excess calls on residential telephones of Additional Commissioners, Additional Deputy Commissioner Generals and Assistant Commissioners had been initiated.

The Committee **kept these paras pending** with the directions that if the cases of excess calls of Commissioners/Deputy Commissioner were not regularized within six month then recovery be made from the concerned officers. The Committee also desired that recovery from the Additional Commissioners, Additional Deputy Commissioner Generals and Assistant Commissioners be made within 90 days under intimation to PAC.

27. Para No.8 Page 17 of Audit Report for the year 2001-2002; Recovery of Rs.73,602/- on Account of Purchase of Lubricant.

18.07.2006 The Department explained that the log book had been produced to audit which had seen/verified the same.

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

28. Para No.9 Pages 17 & 18 of Audit Report for the year 2001-2002; Non-Deduction/Non-Deposit of Sales Tax of Rs.176,209/-.

(9.1) Secretary Board of Revenue, Lahore-Rs.146,576/-.

18.07.2006 The Department explained that all the purchases were made from the registered firms with Sales Tax Department; their invoices were available for verification.

The Committee **kept the para pending** with the directions that the record be got verified on 25th July 2006.

(9.2) Commissioner, Dera Ghazi Khan-Rs.29,633/-.

18.07.2006 The Department explained that Rs. 11,395/- had been recovered and got verified by audit. Efforts were being made for balance recovery from M/s. DG Khan Stationers.

The para was kept pending for recovery within 90 days.

29. Para No.10 Page 19 of Audit Report for the year 2001-2002; Recovery of Rs.1,230,000/- on Account of Subletting of Katchery Compount.

18.07.2006 The Department explained that District Bar Association and District Administration was leasing out/auctioning of canteen, Fruits Shops etc. regularly according to the government instructions.

The Committee **kept the para pending** with the directions that the record be got verified on 25th July 2006.

30. Para No.11 Pages 19 & 20 of Audit Report for the year 2001-2002; Doubtful Repair of Vehicles Recovery of Rs.84,868/-.

18.07.2006 The Department explained that the para consisted of three sub-paras:-

1. FDJ5580

The Department explained that auto parts for the said vehicles were purchased from Lahore market and were fitted through local workshop at Kasur.

2. FDJ5580

The Department explained that one tube of Rs. 300/- was purchased for the said vehicle and amount of Rs. 300/- was paid as service charges of Vehicle No. KSB666 and Rs. 570/- for adjustment of vehicle No. KSB33. The concerned items had already been taken in the stock register.

3. FDJ5580

The Department explained that poshish amounting to Rs. 1,000/- was purchased from the Lahore market for the said vehicle.

The Committee was not satisfied with the explanation of the Department and desired that inquiry be initiated in the case and responsibility be fixed against the concerned officers/officials.

The para was kept pending.

31. Para No.12 Page 20 of Audit Report for the year 2001-2002; Unspent Census Grant Not Refunded Recovery of Rs.469,954/-.

18.07.2006 The Department explained that requisite amount had been refunded by the DDO(R) City Faisalabad to the Deputy Census Commissioner, Islamabad.

The para was kept pending for verification of record by audit on 25th July 2006.

32. Para No.13 Page 21 of Audit Report for the year 2001-2002; Non-Deduction of Interest on House Building and Motor Cycle Advance of Rs.63,056/-.

18.07.2006 The Department explained that notices of recovery had been issued to the concerned officers and efforts were being made to effect recovery at the earliest.

The para was kept pending for recovery within 90 days.

33. Para No.14 Pages 21 & 22 of Audit Report for the year 2001-2002; Recovery of Rs.66,198/- Due to Misuse of Government Vehicles.

18.07.2006 The Department explained that the para was discussed in the SDAC meeting held on 30-9-2002 and was settled after verification of record.

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

34. Para No.15 Page 22 of Audit Report for the year 2001-2002; Non-Deposit of Unspent Balance of Rs.132,005/- on Account of Census Grant

18.07.2006 The Department explained that the unspent balance had already been refunded to the Secretary, Government of the Punjab, LG&RD Department Lahore on 27-12-2003.

The para was kept pending for verification whether the amount was related to the Federal Government or Provincial.

35. Para No.16 Page 23 of Audit Report for the year 2001-2002; Misuse of Departmental Income, Recovery Thereof Rs.280,753/-

18.07.2006 The Department explained that the matter was taken up in the Lahore High Court Lahore and was rejected due to time bar.

The Committee **settled the para** in pursuance of decision of the Court.

36. Para No.17 Page 23 of Audit Report for the year 2001-2002; Non-Deposit of Rent of Rooms of Circuit House Amounting to Rs.693,500/-

18.07.2006 The Department explained that DO (R), Gujranwala had been appointed Inquiry Officer to probe into the matter and fixed the responsibility for not producing the record.

The para was kept pending with the directions that the inquiry be finalized within 90 days under intimation to PAC.

37. Para No.18 Page 24 of Audit Report for the year 2001-2002; Less Deduction of House Rent Rs.267,500/-

18.07.2006 The Department had admitted the recovery of house rent @10% of the minimum of pay scale from the occupants of houses, who were residing above entitlement.

The para was kept pending for recovery @10% from the occupants.

38. Para No.19 Page 24 of Audit Report for the year 2001-2002; Recovery of Rs.275,582/- on Removal from Service.

18.07.2006 The Department explained that order for removal from Service in respect of Mr. Muhammad Rafique, Naib Qasid was signed but not issued and this order was also not implemented. It was also stated that the AG Punjab had agreed that if the order was not implemented, the N/Q could draw his pensionary benefits.

The Committee **kept the para pending for verification** of record by audit on 25.7.2006.

39. Para No.20 Page 25 of Audit Report for the year 2001-2002; Loss of Rs.1,369,863/- on Account of Auction Money of Ferry Services.

18.07.2006 The Department explained that the arrears amount of Rs. 208,999/- had to be recovered from the concerned contractor and orders as arrears of land revenue had been issued by the District Collector, Rajanpur.

The para was kept pending for recovery within 90 days.

40. Para No.21 Pages 25 & 26 of Audit Report for the year 2001-2002; Irregular Payment of Rs.2,811,205/- on Account of Arrears of Utility Charges.

18.07.2006 The Department explained that the payments were made against the utility bills i.e. sui gas & electricity. The bills were available for verification.

The para was kept pending for verification of record by audit on 25.7.2006.

41. Para No.22 Page 26 of Audit Report for the year 2001-2002; Un-Justified Retention of Census Funds Rs.122,951/-.

18.07.2006 The Department explained that an amount of Rs. 133,044/- had been refunded to the Secretary Finance, Government of the Punjab on 30-11-2005.

The para was settled subject to verification of record by audit.

42. Para No.23 Pages 27 & 28 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,147,317/- on Account of Purchase of Stationery.

(1) Deputy Commissioner, Bahawalpur-Rs.270,907/-

(2) Deputy Commissioner, Kasur-Rs.181,346/-

(3) Deputy Commissioner, Mianwali-Rs.57,628/-

(4) Deputy Commissioner, Lahore-Rs.169,711/-

(5) Commissioner Office, Multan-Rs.110,896/-

(6) Deputy Commissioner, Muzaffargarh-Rs.83,410/-

(7) Assistant Commissioner, Taunsa-Rs.49,322/-

(8) Deputy Commissioner, Multan-Rs.224,097/-

18.07.2006 The Department explained that the stationary was purchased on different dates and occasions after fulfilling all the codal formalities and record was available for verification.

The Committee settled the paras subject to regularization by the Finance Department.

43. Para No.24 Pages 28 & 29 of Audit Report for the year 2001-2002; Expenditure Incurred Worth Rs.2,875,537/- In Excess of Budget Provisions.

(24.1) Deputy Commissioner, Dera Ghazi Khan-Rs.250,204/-.

19.07.2006 The Department explained that the excess under the grant 10-GA was mainly under the sub-head of Pay & Allowances and the matter had been referred to Finance Department for regularization of excess expenditure.

The para was kept pending for regularization.

44. **Para No.24 Pages 28 & 29 of Audit Report for the year 2001-2002; Expenditure Incurred Worth Rs.2,875,537/- In Excess of Budget Provisions.**
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(24.2) Commissioner, Multan-Rs.122,891/-.

(24.4) Assistant Commissioner, Bhakkar-Rs.1,257,473/-.

45. **Para No.25 Pages 29, 30 & 31 of Audit Report for the year 2001-2002; Irregular Expenditure on Repair of Government Vehicles/Machinery Amounting to Rs.1,483,535/-.**
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(25.1) Commissioner Office, Multan-Rs.182,692/-

(25.5) Commissioner, Dera Ghazi Khan-Rs.67,597/-

(25.6) Addl. Commissioner, Dera Ghazi Khan-Rs.47,419/-

(25.7) Commissioner, Lahore Division Lahore-Rs.193,870/-

(25.8) Commissioner, Gujranwala-Rs.248,601/-

(25.9) Commissioner, Lahore-Rs.94,480/-

(25.10) Commissioner, Lahore Division, Lahore-Rs.62,604/-

46. **Para No.29 Page 33 of Audit Report for the year 2001-2002; Advance Payment of Rs.326,000/- on Account of Electricity Bills.**
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47. **Para No.30 Pages 33 & 34 of Audit Report for the year 2001-2002; Irregular Placement of Funds at the Disposal of A.C. Rs.7,151,967/- Which Were Un-Authorisedly Kept in A Bank Account**
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48. **Para No.33 Pages 35 & 36 of Audit Report for the year 2001-2002; Unjustified and Irregular Disposal of Government Vehicles, Loss of Rs.310,000/-**
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49. **Para No.34 Page 37 of Audit Report for the year 2001-2002; Doubtful Drawal of Rs.158,486/- on Account of Telephone Bills**
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50. **Para No.35 Pages 37 & 38 of Audit Report for the year 2001-2002; Irregular Appointment Resulting Into A Loss of Rs.951,712/-**
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51. **Para No.37 Pages 38 & 39 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1,984,464/- on Account of Electricity Charges of Residential Meters**
-

(37.1) Deputy Commissioner, Rajanpur-Rs.176,550/-.

(37.2) Deputy Commissioner, Pakpattan-Rs.207,428/-.

(37.3) Commissioner/DCO Gujranwal-Rs.92,960/-

(37.4) Commissioner/DCO Gujranwala-Rs.164,493/-

(37.5) Deputy Commissioner, Sheikhpura-Rs.237,658/-

(37.6) Deputy Commissioner, Multan-Rs.914,548/-

(37.7) Commissioner Lahore Division, Lahore-Rs.190,827/-

52. Para No.38 Pages 39 & 40 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.196,954/- On Account of Electricity Charges.

53. Para No.39 Page 40 of Audit Report for the year 2001-2002; Government Sustained Loss of Rs.372,000/- on Account of Auction.

54. Para No.40 Page 40 of Audit Report for the year 2001-2002; Un-Authorized Expenditure of Rs.313,042/- on Account of Electricity Charges.

55. Para No.41.2 Page 41 of Audit Report for the year 2001-2002; Loss to Government Exchequer Due to Non-Auction of Canteens Rs.124,630/-.

Deputy Commissioner, Rahim Yar Khan-Rs. 52,750/-.

56. Para No.42 Page 42 of Audit Report for the year 2001-2002; Non-Maintenance of Telephone Registers Loss of Rs. 1,260,533/-.

(42.2) Additional Commissioner (Cons), Bahawalpur – Rs.54,936/-.

(42.3) Commissioner, Lahore Division, Lahore – Rs.181,390/-.

57. Para No.44 Pages 43 & 44 of Audit Report for the year 2001-2002; Irregular Payment of Rs.574,000/- Due to Non-Maintenance of Election Record.

58. Para No.45 Page 44 of Audit Report for the year 2001-2002; Un-Justified Expenditure of Rs.354,990/-.

59. Para No.48.2 Pages 45 & 46 of Audit Report for the year 2001-2002; Loss of Rs.905,940/- Due to Non-Maintenance of Telephone Call Register.

Commissioner, Sargodha – Rs.98,789/-.

60. Para No.50 Pages 48, 49 & 50 of Audit Report for the year 2001-2002; Non-Production of Record for Rs.237,691,892/- Which Consists of Serious Financial Irregularity

- (50.1) Deputy Commissioner, Muzaffargarh-Rs.167,581/-.
- (50.3) Deputy Commissioner, Narowal-Rs.167,831,324/-.
- (50.4) Deputy Commissioner, Pakpattan -Rs.19,919,876/-.
- (50.5) Deputy Commissioner, Vehari-Rs.15,773,180/-.
- (50.6) Deputy Commissioner, Jhang-Rs.14,457,842/-.
- (50.7) Deputy Commissioner, Jhang-Rs.335,000/-.
- (50.8) Deputy Commissioner, Kasur-Rs.69,795/-.
- (50.9) Deputy Commissioner, Faisalabad-Rs.113,094/-.
- (50.10) Deputy Commissioner, Narowal-Rs.76,988/-.
- (50.11) Deputy Commissioner, Multan-Rs.958,008/-.
- (50.12) Deputy Commissioner, Mianwali-Rs.2,675,000/-.
- (50.13) Deputy Commissioner, Mianwali-Rs.400,758/-.
- (50.14) Deputy Commissioner, Faisalabad-Rs.8,977,295/-.
- (50.15) Deputy Commissioner, Rahim Yar Khan-Rs.2,224,966/-.
- (50.16) Deputy Commissioner, Bahawalpur-Rs.3,040,765/-.
- (50.17) Deputy Commissioner, Mianwali-Rs.492,000/-.
- (50.18) Deputy Commissioner, Multan-Rs.82,967/-.

61. Para No.53 Page 51 of Audit Report for the year 2001-2002; Non-Maintenance of Consumption Record of Stationery Valuing Rs.128,670/-

19.07.2006 The Department explained that due to shortage of time the verification in the above mentioned paras could not be made and requested for pending these paras for verification.

The Committee acceded to the request of the department and the date for verification was fixed for 25 & 26 July 2006.

The paras were kept pending.

62. Para No.24 Pages 28 & 29 of Audit Report for the year 2001-2002; Expenditure Incurred Worth Rs.2,875,537/- In Excess of Budget Provisions.

- (24.3) Assistant Commissioner, Taunsa-Rs.1,088,245/-.
- (24.5) Assistant Commissioner, Bahawalnagar-Rs.56,724/-.

63. **Para No.25.11 Pages 29, 30 & 31 of Audit Report for the year 2001-2002; Irregular Expenditure on Repair of Government Vehicles/Machinery Amounting to Rs.1,483,535/-.**
-

Deputy Commissioner, Multan-Rs.224,224/-.

64. **Para No.31 Page 34 of Audit Report for the year 2001-2002; Expenditure Without Funds Rs.165,190/-.**
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65. **Para No.51 Pages 50 & 51 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.151,148/-.**
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19.07.2006 The Department explained that the cases had been referred to the Finance Department for regularization/*ex-post facto* sanction of the excess expenditure.

The paras were kept pending for regularization within 90 days.

66. **Para No.25 Pages 29, 30 & 31 of Audit Report for the year 2001-2002; Irregular Expenditure on Repair of Government Vehicles/Machinery Amounting to Rs.1,483,535/-.**
-

(25.2) Deputy Commissioner, Mianwali-Rs.142,169/-.

(25.3) Deputy Commissioner, Sargodha-Rs.128,658/-.

(25.4) Deputy Commissioner, Bhakkar-Rs.71,221/-.

67. **Para No.26 Pages 31 & 32 of Audit Report for the year 2001-2002; Lapsed Budget Grant of Rs.1,197,872/- Due to Non-Surrendering of Budget.**
-

(26.1) Deputy Commissioner, Mianwali-Rs.734,395/-.

(26.2) Deputy Commissioner, Narowal-Rs.463,477/-.

68. **Para No.28 Pages 32 & 33 of Audit Report for the year 2001-2002; Irregular Payment of Salary Rs.168,824/-.**
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69. **Para No.47 Page 45 of Audit Report for the year 2001-2002; Non-Reconciliation of Deposit of Rs.3,400,483/-.**
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70. **Para No.50.2 Pages 48, 49 & 50 of Audit Report for the year 2001-2002; Non-Production of Record for Rs.237,691,892/- which consists of Serious Financial Irregularity.**
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Deputy Commissioner, Rahim Yar Khan-Rs.94,753/-.

- 71. Para No.52.2 Pages 50 & 51 of Audit Report for the year 2001-2002; Unjustified Expenditure of Rs.903,404/-.**
-

Deputy Commissioner, Bhakkar-Rs.189,673/-.

19.07.2006 The Department explained that the observation of the audit had been addressed in the above mentioned paras.

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

- 72. Para No.27 Page 32 of Audit Report for the year 2001-2002; Irregular Purchase of Vehicle for Rs.525,000/- and Non-Deduction of Income Rs.13,125/-.**
-

19.07.2006 The Department admitted the irregularity and stated that the case for regularization had been submitted to the Finance Department.

The Committee **kept the para pending** with the directions that disciplinary proceedings under PRSO 2000 be initiated against the concerned officers.

- 73. Para No.32 Pages 34 & 35 of Audit Report for the year 2001-2002; Irregular Payment of Law Charges Rs.120,000/-.**
-

19.07.2006 The Department explained that payment of law charges was made after observing all codal formalities and with the approval of the Government of the Punjab vide FD letter dated 01.8.2000.

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

- 74. Para No.36 Page 38 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.139,000/- Out of Population Census.**
-

19.07.2006 The Department explained that although the Census work was completed on 18-03-1998, but a number of vehicles remained in custody of Army Personnel deputed for School Census in Saddiqabad. A requisition was submitted to Deputy Commissioner, Rahimyar Khan vide his office memo dated 20-4-1998 for provision of Rs. 139,000/- as hiring charges of vehicles used for School Census, done by the Army. Request was accepted and a sum of Rs. 139,000/- through Cheque dated 20-4-1998 was received in his office for payment of hiring charges of vehicles used by the Army during School Census, 1998. The vouched account were submitted to the Deputy Commissioner, Rahim Yar Khan vide his office letter dated 12-11-1998. The record was available for verification.

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

- 75. Para No.41.1 Page 41 of Audit Report for the year 2001-2002; Loss to Government Exchequer Due to Non-Auction of Canteens Rs.124,630/-.**
-

Deputy Commissioner, Muzaffargarh-Rs.71,880/-.

19.07.2006 The Department explained that the matter required thorough investigation and requested that para may kindly be kept pending.

The para was kept pending till next meeting.

- 76. Para No.42.1 Page 42 of Audit Report for the year 2001-2002; Non-Maintenance of Telephone Registers Loss of Rs.1,260,533/-**
-

Deputy Commissioner, Multan - Rs.1,024,247/-.

19.07.2006 The Department explained that due to non-availability of funds, the bills of telephones were not deposited in time. In this way, the arrears accounted in the next bills. The bills amounts were deposited after proper verification and reconciliation with the office records and Telephone Department, no duplicity had occurred.

The Committee **kept the para pending** for verification of digital bills by audit.

- 77. Para No.43 Page 43 of Audit Report for the year 2001-2002; Loss of Rs.128,300/- Due to Non-Auction of Stands/Shops.**
-

19.07.2006 The Department explained that the para pertained to the Punjab Bar Council and as already requested the matter would be taken up with the Chief Executive of the Province and Vice-Chairman of Punjab Bar Council.

The para was kept pending.

- 78. Para No.46 Page 44 of Audit Report for the year 2001-2002; Non-Auction of Government Vehicles, May Result Into a Loss to the Extent of Rs.1,400,000/-.**
-

19.07.2006 The Department explained that a Committee had been constituted under the Chairmanship of DCO for auction of the vehicles.

The Committee **kept the para pending** with the directions that the process of auction be expedited.

- 79. Para No.48 Pages 45 & 46 of Audit Report for the year 2001-2002; Loss of Rs.905,940/- Due to Non-Maintenance of Telephone Call Register.**
-

(48.1) Commissioner, Bahawalpur – Rs93,804/-.

19.07.2006 The Department explained that the telephone Department had been requested to provide detail of each telephone connection so that the recovery be made from the defaulters.

The para was kept pending for recovery.

(48.3) Deputy Commissioner, Bahawalpur – Rs.172,557/-

19.07.2006 The Department explained that notices had been issued to the concerned officers to submit the telephone call register for verification by audit.

On the request of the Department, **the para kept pending** for verification by audit.

80. Para No.48 Pages 45 & 46 of Audit Report for the year 2001-2002; Loss of Rs.905,940/- Due to Non-Maintenance of Telephone Call Register.

(48.4) Deputy Commissioner, Sialkot – Rs.227,047/-.

(48.5) Deputy Commissioner, Narowal-Rs.313,743/-.

81. Para No.49 Pages 47 & 48 of Audit Report for the year 2001-2002; Expenditure Incurred On Purchase of P.O.L. Amounting to Rs.7,137,376/-.

(49.1) Deputy Commissioner, Rahim Yar Khan-Rs.380,432/-.

(49.2) Deputy Commissioner, Bhawalpur-Rs.541,716/-.

(49.3) Deputy Commissioner, Kasur-Rs.335,000/-.

(49.4) Deputy Commissioner, Dera Ghazi Khan-Rs.125,352/-.

(49.5) Deputy Commissioner, Sialkot-Rs.143,069/-.

(49.6) Deputy Commissioner, Narowal-Rs.65,693/-.

(49.7) Deputy Commissioner, Sheikhupura-Rs.743,742/-.

(49.8) Commissioner, Lahore-Rs.778,267/-.

(49.9) Secretary Board of Revenue, Lahore-Rs.50,417/-.

(49.10) Deputy Commissioner, Sahiwal-Rs.3,524,467/-.

(49.11) Deputy Commissioner, Rawalpindi-Rs.55,512/-.

(49.12) Assistant Commissioner, Taunsa -Rs.311,825/-.

(49.13) District Coordination Officer, Gujranwala-Rs.81,884/-.

19.07.2006 The Department explained that the Finance Department had declared the residences of Commissioners and Deputy Commissioners as camp offices. The cases of excess calls of the Commissioners and Deputy Commissioners had been submitted to the Finance Department for regularizations. It was also stated that recovery of excess calls on residential telephones of Additional Commissioners, Additional Deputy Commissioner Generals and Assistant Commissioners had been initiated.

The Committee **kept these paras pending** with the directions that if the cases of excess calls of Commissioners/Deputy Commissioner were not regularized within six months than recovery be made from the concerned officers. The Committee also desired that recovery from the Additional Commissioners, Additional Deputy Commissioner Generals and Assistant Commissioners be made within 90 days under intimation to PAC.

82. Para No.52.1 Pages 50 & 51 of Audit Report for the year 2001-2002; Unjustified Expenditure of Rs.903,404/-.

Deputy Commissioner, Dera Ghazi Khan-Rs.713,732/-.

19.07.2006 The Department explained that the period under observation pertained to Mr. Mukhtar Hussain, dismissed district Nazim against whom a case was got registered with the Anti-corruption Establishment, in which all the relevant files were taken into custody and the same were still with the Anti-Corruption Establishment.

The para was kept pending with the directions that the record be retrieved from the Anti-corruption Establishment for verification by Audit and the case be pursued vigorously.

**DISTRICT
GOVERNMENTS
PUNJAB PROVINCE,
WORKS & SERVICES
DEPARTMENT**

The paras were discussed in the meetings of PAC-II held on 29.11.2005, 30.11.2005, 18.10.2006, 19-12-2006, 17.03.2007 & 30.04.2007.

**DISTRICT GOVERNMENTS, PUNJAB PROVINCE,
WORKS & SERVICES DEPARTMENT**

Audit Paras (Works) for the year 2001-2002

1. **Para No. 1 Pages 13 & 14 of Audit Report for the year 2001-2002; Overpayment of Rs.0.479 Million Due to Allowing Excessive Measurements.**
2. **Para No. 6 Pages 18 & 19 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1.766 Million Due to Sanction Beyond Competency.**
3. **Para No. 8 Page 20 of Audit Report for the year 2001-2002; Non-Accountal of Material Valuing Rs.0.969 Million.**
4. **Para No. 15 Pages 31 & 32 of Audit Report for the year 2001-2002; Less Recovery of Income Tax of Rs.0.476 Million.**
5. **Para No. 17 Pages 33 & 34 of Audit Report for the year 2001-2002; Loss of Rs.0.199 Million Due to Non-Imposition of Penalty.**
6. **Para No. 18 Page 34 of Audit Report for the year 2001-2002; Non-Accountal of Ceiling Fans of Rs.0.385 Million.**
7. **Para No. 40 Page 72 of Audit Report for the year 2001-2002; Non-Recovery of Departmental Charges of Rs.0.988 Million.**
8. **Para No. 41 Page 73 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.164 Million Due to Excessive Measurements.**
9. **Para No. 42 Page 74 of Audit Report for the year 2001-2002; Irregular Allotment of Works Amounting to Rs.10.467 Million on Single Quotation Basis**
10. **Para No. 50 Pages 84 & 85 of Audit Report for the year 2001-2002; Shortage of Stock Worth Rs.0.080 Million.**
11. **Para No. 58 Page 102 of Audit Report for the year 2001-2002; Non-Recovery of Lease Rent of Rs.0.050 Million.**

12. **Para No. 64 Pages 115 & 116 of Audit Report for the year 2001-2002; Overpayment of Rs.0.242/- Million Against the Provision of Technical Sanctioned Estimate.**

13. **Para No. 75 Page 134 of Audit Report for the year 2001-2002; Overpayment of Rs.0.269 Million Due to Excessive Measurement.**

14. **Para No. 82 Page 145 of Audit Report for the year 2001-2002; Overpayment of Rs.0.116 Million Due to Non-Deduction of Earth.**

15. **Para No. 93 Pages 159 & 160 of Audit Report for the year 2001-2002; Overpayment of Rs.0.194 Million Due to Excessive Measurements.**

16. **Para No. 100 Pages 168 & 169 of Audit Report for the year 2001-2002; Overpayment of Rs.0.132 Million Due to Non-Adjustment of Available Earth**

17. **Para No. 104 Page 172 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.496 Million Against the Provision of Technically Sanctioned Estimate**

18. **Para No. 109 Page 179 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.107 Million Against the Provision of Technically Sanctioned Estimate**

19. **Para No. 110 Page 180 of Audit Report for the year 2001-2002; Non-Accountal of Ceiling Fans Rs.1.443 Million.**

20. **Para No. 116 Pages 188 & 189 of Audit Report for the year 2001-2002; Overpayment of Rs.0.248 Million Against the Provision of Technical Sanctioned Estimate.**

21. **Para No. 117 Pages 189 & 190 of Audit Report for the year 2001-2002; Overpayment of Rs.0.298 Million Against the Provision of Technically Sanctioned Estimate**

22. **Para No. 118 Page 190 of Audit Report for the year 2001-2002; Overpayment of Rs.0.224 Million on Account of Price Variation.**

23. **Para No. 120 Page 195 of Audit Report for the year 2001-2002; Overpayment of Rs.0.093 Million Due to Non-Adjustment of Available Earth.**

24. **Para No. 121 Page 196 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.247 Million Due to Decrease in Price of Cement**

25. Para No. 135 Pages 216 & 217 of Audit Report for the year 2001-2002; Overpayment of Rs.0.203 Million Due to Excessive Measurements

17.03.2007 The Department explained that the observations of the audit had been properly addressed and the relevant record had been got verified by audit.

On the recommendation of audit, the above mentioned **paras were settled.**

26. Para No. 2 Pages 14 & 15 of Audit Report for the year 2001-2002; Overpayment of Rs.0.091 Million Due to Allowing Higher Rate.

17.03.2007 The Department explained that the tenders were received on 24.12.1999 and rates were demanded from contractors on CSR 1998 & not CSR 1979 as CSR 1998 was enforced at that time. The contractor quoted rate 4.5% above CSR 1998. Therefore, the department was bound to pay the contractor on CSR 1998. It was further submitted that concurrence of Finance Department was not required as since no excess over revised estimate had been sanctioned but rather saving of Rs.77,300/- was attained. The record had also been got verified.

The Committee accepted the explanation of the department and **the para was settled.**

27. Para No.3 Pages 15 & 16 of Audit Report for the year 2001-2002; Overpayment of Rs.0.060 Million Due to Fictitious Measurements.

30.11.2005 The Department explained that the total recovery had been effected vide TE No. 1 dated 05-02-2002 and the record had been got verified by Audit.

Audit verified the contention of the Department.

The Committee **settled the para** with the directions that the disciplinary action be taken against the concerned DAO and sub-engineer who were responsible for making over payment.

28. Para No. 4 Pages 16 & 17 of Audit Report for the year 2001-2002; Non-Recovery/ Adjustment of Rs.1.630 Million Outstanding Against Officers/ Officials

17.03.2007 The Department explained that out of 56 different cases of adjustment/recovery, only 14 cases remained for which vouched account had yet not been received. The concerned EDOs had been requested to arrange submission of vouched account. The matter had also been reported to the Secretary Education. It was also stated that Finance Department was being approached for release of funds to clear the misc. advance.

The Committee **kept the para pending** for balance recovery/adjustment of the remaining cases.

29. Para No.5 Page 17 of Audit Report for the year 2001-2002; Non-Recovery of Lease Rent Rs.0.448 Million

29.11.2005 The EDO(W&S) Attock explained that Rs.30,000/- had been recovered from the Oil Companies regarding rent charges.

The Committee reduced the para upto the recovery effected subject to verification by audit and **kept the para pending** with the directions that the balance amount be recovered at the earliest.

30. Para No.7 Pages 19 & 20 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.220 Million Due to Non-Closing of Manufacture Accounts.

29.11.2005 The EDO(W&S) Attock explained that Rs.80,112/- had been recovered from the three officers/officials and the remaining amount which was recoverable from Mr. Sibghatullah, Sub-Engineer would be recovered at the earliest.

The Committee **kept the para pending** with the directions that the recovered amount be got verified by audit and the remaining amount be recovered at the earliest.

31. Para No. 13 Page 30 of Audit Report for the year 2001-2002; Overpayment of Rs.0.067 Million Due to Allowing Excessive Quantities.

17.03.2007 The Department explained that as far as recovery of Part-I was concerned, it was requested that entering 6 @ 1st instance, instead of 1' laid was omission done by the Sub-Engineer and it was not embezzlement, because thickness of concrete had been verified personally also as 1' at site. Recovery was required only if payment of 1' was made against laid thickness of 6. It was also stated that recovery of Part-II had been effected and got verified from audit on 28.2.2007.

The Committee accepted the explanation of the department and **the para was settled.**

32. Para No.14 Page 31 of Audit Report for the year 2001-2002; Overpayment of Rs.0.147 Million Due to Payment of Excess Quantities than Actual Measurement

30.11.2005 The Department explained that the base course was made according to design i.e. 8" thick in December 1997 and entered in MB No. 2422/86 page 62 dated 24-12-1997. The Junior Research Officer, Regional Lab. Highway Circle, Bhawalpur checked the quality and quantity measures on 01-4-2000 i.e. more than two years after its laying. During this period, the road remained open to traffic and the base course was deteriorated under continuous flow of traffic and thickness of base was slightly reduced due to wear and tear at RD 37300 to 46600. The report was forwarded to the then Executive Engineer for removal of defects. The defects were removed and thickness of base was improved by the contractor which was also verified by the staff of Regional Lab. Highway Circle, Bhawalpur, headed by Executive Engineer The

Committee **kept the para pending** with the directions that the matter be probed by the Administrative Secretary under intimation to PAC within 90 days and MB be got verified by Audit.

33. Para No. 16 Pages 32 & 33 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.397 Millin Due to Non-Closing of Manufacture Account.

34. Para No. 43 Pages 74 & 75 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.608 Million Due to Non-Closing of Manufacture Account

17.03.2007 The Department explained that the out turns of vehicles upto the financial year 2001-2002 had been received from the concerned officer and had been adjusted in final account of 6/2002. It was also stated that as and when the balance out turns received the same would be adjusted and got verified from audit.

The Committee **kept the para pending** with the directions that the case be referred to the Finance Department for adjustment of the Suspense Account.

35. Para No.20 Pages 35 & 36 of Audit Report for the year 2001-2002; Non-Production of Record of Rs.26.867 Million.

30.11.2005 The Department requested that the para may be kept pending as the record was not produced to Audit for verification due to official engagement of the concerned EDO (W&S), Bahawalpur.

The Committee **kept the para pending** on the request of the Department.

36. Para No.28 Page 55 of Audit Report for the year 2001-2002; Overpayment of Rs.0.871 Million Due to Excessive Measurements.

29.11.2005 The Department explained that the variations were made according to the site conditions and the TS were revised by the competent authority. On a query by the Committee, the Department stated that the design and specifications of the work were not changed but only the quantities were changed and the variation was within the provisions of administrative approval. Therefore, there was no need for revised Administrative Approval.

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

37. Para No.29 Page 56 of Audit Report for the year 2001-2002; Overpayment of Rs.5.861 Million Due to Excessive Measurements.

29.11.2005 The Department explained that the work “providing/installation of external electrification” in three Marla housing scheme in Faisalabad was awarded to M/s. Subline Construction Company. During the execution of work the electric material was stolen and accordingly four FIRs were lodged. The Contractor abandoned the work and after completing the codal formalities his contract was rescinded. The security deposit

amounting to Rs.547,427/- was forfeited and balance recovery had been initiated as arrears of land revenue on risk & cost basis. The matter had been taken up with FESCO for estimation of the balance work through an approved consultant of WAPDA. So far as the condition of Bank Grantee was concerned, that was relaxed as the sponsor was a government department.

The Committee **kept the para pending** with the directions that the recovery be made from the contractor at the risk and cost basis as arrears of land revenue.

38. Para No.30 Page 57 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.529 Million Due to Non-Closing of Manufacture Accounts.

29.11.2005 The Department explained that the para was the duplicacy of DP No. 133 for the year 1998-99 and the adjustment against these vehicles had been made in the monthly account of March 2005.

The Committee **settled the para subject to verification** by Audit.

39. Para No.31 Page 61 of Audit Report for the year 2001-2002; Overpayment of Rs.0.449 Million by Violating the Standard Specifications.

18.10.2006 The Department explained that total recovery had been effected and deposited into the government treasury.

The para was settled subject to verification of record by audit.

40. Para No.32 Page 62 of Audit Report for the year 2001-2002; Overpayment of Rs.0.054 Million by Violating the Specifications.

30.11.2005 The Department explained that construction of Government Secondary School at Kashmir Colony was approved for Rs.6.622 million in the year 2001-2002. The total expenditure of the scheme was Rs.6.370 million thus the scheme was completed with saving.

Audit was of the view that specific approval for installation of grill was to be obtained by the DDC which was not yet accorded.

The Committee **pended the para** with the directions that responsibility be fixed and action be taken against the responsables within 90 days under intimation to PAC.

41. Para No.33 Pages 62 & 63 of Audit Report for the year 2001-2002; Overpayment of Rs.0.053 Million Due to Change in Specification.

30.11.2005 The Department explained that the total recovery of Rs.53,398/- had been made and accounted for in monthly account for September 2005.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

42. Para No.34 Page 64 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.226 Million Due to Non-Closing of Manufacture Account.

30.11.2005 The Department explained that three vouchers of the manufacturer accounts had been adjusted in 06-02-2002 and manufacturers account was closed in the financial year 2001-2002.

Audit verified the contention of the Department and recommended the para for settlement.

The para was accordingly settled.

43. Para No.35 Page 65 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.522 Million Due to Excessive Measurements.

18.10.2006 The Department explained that the work was strictly carried out as per P&D drawing No. CA scheme no. 258 sub-scheme No. DRG-10 dated 14-6-1999. Moreover, the quantity of the steel was more than 6.75 Lbs/cft in the design due to large spans which was incorporated in the revised estimate and duly approved by the EDO (W&S).

Audit contented that the final bill produced to audit did not bear voucher No. & date and the same was neither entered in the cash book nor incorporated in the monthly accounts.

The para was kept pending for verification.

17.03.2007 The Department explained that as per directions of the PAC dated 18.10.2006, revised TS estimate and final bill duly entered in cash book had been got verified by audit.

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

44. Para No.36 Page 66 of Audit Report for the year 2001-2002; Non-Auction of Empty Tar Drums Valuing Rs.0.189 Million.

30.11.2005 The Department explained that total recovery as pointed out by Audit had been effected.

The Committee **settled the para subject to verification** by Audit.

45. Para No.37 Pages 66 & 67 of Audit Report for the year 2001-2002; Non Forfeiture of Security Deposit of Rs.0.319 Million.

30.11.2005 The Department explained that due to paucity of funds, the work was stopped by the contractor and the competent authority i.e. SE under clause 39 declared him defaulter. Later on provision of the funds, the contractor applied the competent authority for time extension which was accepted and the work was completed. So there was no need for forfeiture of security of the contractor.

The Committee **kept the para pending** with the directions that the Administrative Secretary should verify the position of provision of funds.

46. Para No.45 Page 80 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.155 Million Due to Non-Closing of Manufacture Accounts.

29.11.2005 The Department explained that the Jeep was used for official duty and the road ruler was used on works of labour colony, Kamalia. It was also stated that the adjustment would be made on provision of funds.

The Committee **kept the para pending** with the directions that the funds be obtained at the earliest and the adjustment be made before the next meeting.

47. Para No.46 Page 81 of Audit Report for the year 2001-2002; Non-Recovery of Installments of Plots Worth Rs.0.562 Million.

29.11.2005 The Department explained that a sum of Rs.0.062(M) and amount of Rs.0.015(M) of the cancelled plot had been recovered and got verified by Audit. It was also stated that the notices had been issued to the defaulting allottees for payment of the remaining installments with interest, failing which the allotment would be cancelled.

The Committee **kept the para pending** with the observation that the Department should investigate in the matter and if some officers/officials were on fault for not recovering the amount at the proper time, then disciplinary action be taken against them.

48. Para No.48 Pages 82 & 83 of Audit Report for the year 2001-2002; Non-Accountal and Consumption of Bitumen Worth Rs.0.285 Million.

30.11.2005 The Department explained that the material was consumed at site and the relevant record had been got verified by audit.

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

49. Para No.49 Pages 83 & 84 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.846 Million Against the Provision of Technically Sanctioned Estimate

29.11.2005 The Department explained that during the execution of the work, the Director Special Education requested for certain changes in the PC-I. The Engineer Incharge effected

the changes/executed the items accordingly and incorporated the same in the PC-I. The revised PC-I was submitted to the Director Special Education Punjab for approval. However, it could not be processed due to devolution of power and responsibilities. The PC-I was subsequently forwarded to the District Officer (Special Education) Faisalabad for approval of the District Development Committee. The approval of the DDC was still awaited.

The Committee **kept the para pending** with the directions that the approval be obtained by the DDC within 90 days.

50. Para No.51 Pages 89 & 90 of Audit Report for the year 2001-2002; Overpayment of Rs.0.051 Million Against the Agreement.

30.11.2005 The Department admitted the recovery of Rs.51,000/- because the item of work against which the contractor had not quoted any premium should not have been paid.

The Committee **pended the para** with the directions that recovery be made at the earliest and disciplinary action be taken against the responsables within 90 days under intimation to PAC.

51. Para No.52 Page 90 of Audit Report for the year 2001-2002; Overpayment of Rs.0.145 Million Due to Allowing Higher Rate.

30.11.2005 The Department explained that the estimate had not been revised twice. Only the word '2nd revision' had been typed mistakenly and the work had been finalized according to variation statement approved by the Chief Engineer, Highway Department.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

52. Para No.54 Pages 95 & 96 of Audit Report for the year 2001-2002; Overpayment of Rs.0.129 Million Due to Non-Adjustment of Available Earth.

30.11.2005 The Department explained that abnormal quantity of earth was excavated for foundation on advice of the Building Research Station, Lahore. However, audit contented that Rs.21,000/- was still outstanding.

The Committee conditionally **settled the para subject to** recovery of outstanding amount and its verification by Audit.

53. Para No.55 Pages 96 & 97 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.107 Million Against the Provision of Technical Sanctioned Estimate

30.11.2005 The Department explained that work was executed as per site requirements and revised TS had been accorded by the competent authority which had been verified by audit.

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

54. Para No.56 Page 97 of Audit Report for the year 2001-2002; Irregular Payment of Price Variation Amounting to Rs.0.051 Million.

30.11.2005 The Department explained that the payment was made according to the actual price variation of the items as notified by the government and final bill of the contractor had been prepared.

Audit stated that Finance Department had withdrawn its instructions referred by the Department. As such recovery of Rs.31,987/- was outstanding against the contractor.

The para was kept pending with the directions that recovery of the outstanding amount be effected at the earliest.

55. Para No.59 Page 105 of Audit Report for the year 2001-2002; Overpayment of Rs.0.137 Million Against the Provision of Technical Sanctioned Estimate.

18.10.2006 The Department explained that the revised detailed estimate for the work “Provision of missing facility in Government Degree College for Women, Joharabad” had been finalized on 17-10-2006.

The para was settled subject to verification of record by audit.

56. Para No.63 Pages 111 & 112 of Audit Report for the year 2001-2002; Double Payment of Rs.0.082 Million against the Composite Rate.

30.11.2005 The Department explained that payment was based on the basis of technically sanctioned estimate and no payment was made for carriage charges. The estimate had been approved by the competent authority vide orders dated 24.05.2000.

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

57. Para No.64 Pages 115 & 116 of Audit Report for the year 2001-2002; Overpayment of Rs.0.242 Million Against the Provision of Technical Estimate

18.10.2006 The Department explained that the provision of 6.75Lbs. Steel p.cft of concrete was only used for estimation purpose of the project. The payment of steel in the works had been made as per actual fabrication at site as per required design and drawing based on actual loading.

Audit stated that the department had not produced the record in favour of his version.

The para was kept pending with the direction that the record be verified within one week.

58. Para No.66 Pages 117 & 118 of Audit Report for the year 2001-2002; Loss of Rs.0.123 Million Due to Non-Adjustment of Old Material.

30.11.2005 The Department explained that the dismantled material was handed over to the proper committee of the school for disposal and requisite certificate had been obtained from the committee. However, school authorities had been requested for provision of requisite record regarding disposal of the material.

The para was kept pending with the directions that administrative department should resolve the matter in co-ordination with EDO (Edu) within 30 days under intimation to PAC.

59. Para No.67 Page 121 of Audit Report for the year 2001-2002; Overpayment of Rs.0.055 Million Due to Non-Deduction of Earth.

30.11.2005 The Department explained that the overpayment of Rs.55,000/- had been recovered from the security deposit of the contractor and accounted for in the monthly account of September 2003.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

60. Para No.71 Pages 127 & 128 of Audit Report for the year 2001-2002; Overpayment of Rs.0.106 Million Due to Excessive Measurements.

18.10.2006 The Department explained that there was no over payment at all in this para. The total quantity of RCC work was calculated below:-

P-31 of T.S estimate R.C.C in G/Floor	5891 Cft 7939 Cft
P-57 of T.S estimate R.C.C in F/Floor	6401 Cft 359 Cft
P-58 of T.S estimate 374+314-	688 Cft
P-70 of T.S estimate R.C.C in Mumty	77 Cft
P-72 of T.S estimate Lab table	320 Cft
P-80 of T.S estimate Man Hole (7.81x6)	47 Cft
Total	21722 Cft

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

61. Para No. 74 Page 133 of Audit Report for the year 2001-2002; Overpayment of Rs.0.063 Million Due to Non-Adjustment of Available Earth.

17.03.2007 The Department explained that the work was done and the payment was made as per detailed TS estimate vide Chief Engineer North Zone, Building Department dated 10.1.2001.

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

62. Para No. 79 Page 137 of Audit Report for the year 2001-2002; Loss of Rs.0.134 Million Due to Defective Work.

17.03.2007 The Department explained that the para was discussed in the District Accounts Committee meeting held on 21.1.2003 and was settled as there was no loss to the government.

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

63. Para No.81 Pages 141 & 142 of Audit Report for the year 2001-2002; Non-Adjustment of Receipts Worth Rs.0.602 Million to Final Head of Accounts.

29.11.2005 The Department explained that the accounts of certain contractors had not yet been finalized in view of the para. However, an amount of Rs.147,970/- had been credited to the final head of account vide TE No. 1 dated 29-9-2005.

The Committee reduced the amount to the extent of recovered amount subject to its verification by Audit and **pended the para** with the directions that the adjustments be made within 90 days.

64. Para No.85 Page 150 of Audit Report for the year 2001-2002; Overpayment of Rs.0.107 Million Due to Excessive Measurements.

30.11.2005 The Department explained that the recovery had been checked by DAO in 17th running bill of the work.

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

65. Para No.86 Page 151 of Audit Report for the year 2001-2002; Incurrence of Expenditure of Rs.5.040 Million Without Deposit Money.

30.11.2005 The Department explained that the first phase of Barani Area Development project was taken in hand by the EE, Highway Division, Sialkot, who made payments to the executing agencies in anticipation of arrangement of funds. The involved expenditure was placed by him in misc: PW advance recoverable from Director, Barani Area Development Project. On formation of District Narowal in July 1991 balances of Misc.

advance amounting to Rs.98,08,799/- were transferred to this division along with running works of 1st Barani Area Projects.

1st Phase of Barani Area Development Project was approved by the Chairman, ECNEC in 1990 amounting to Rs.63.979 million which was taken in hand by EE, Sialkot, who made payments to the executing agencies.

Later on 2nd Phase of Barani Area Development was approved. The total cost of I & II Phase amounting to Rs.(63.979+49.156)=113.135 million and expenditure Rs.(62.557+48.927)=111.484 million. The total funds received from Barani Area Development Project were Rs.57.390+49.054=106.444 million. The balance amount of Rs.5.04 million was required to clear the Misc. advance. The Chief ABAD Lahore had been requested to provide the balance funds vide this office letter dated 05-09-2005.

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

66. Para No.87 Page 152 of Audit Report for the year 2001-2002; Non-Adjustment of Bitumen Valuing Rs.17.967 Million.

30.11.2005 The Department explained that these balances were old one which were due to non-adjustment of stock returns in the previous years because of short funding of original works and also meager release of funds under head Grant No. 25 Maintenance & Repair. At this belated stage, it was not possible to arrange funds for adjustment of such old stock, as the accounts of the closed schemes cannot be opened again.

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

67. Para No.88 Page 155 of Audit Report for the year 2001-2002; Embezzlement of Rs.0.526 Million Due to Tempering of Figures.

30.11.2005 The Department explained that an inquiry was conducted and the responsible official had been penalized by imposing major penalty of dismissal from service with recovery of Rs.0.52 million vide order dated 27-08-2002. It was also stated that a criminal case was also got registered against the official with Anti-Corruption, Lahore and learned special judge anticorruption had convicted and sentenced the official within-imprisonment for four years. The official filed an appeal in the Honourable Lahore High Court, Lahore against the order of Special Judge Anticorruption and the Lahore High Court, Lahore had set aside the orders of the Anticorruption Court.

The Committee **kept the para pending** with the directions that the case of recovery of Rs.0.526 million from the responsible be pursued vigorously under intimation to PAC.

68. Para No.89 Page 156 of Audit Report for the year 2001-2002; Overpayment of Rs.1.349 Million Due to Excessive Measurements.

30.11.2005 The Department explained that the work of resurfacing had been executed with two coats, (1st coat by using 22 lbs bitumen and 3.50 cft Bajri, 2nd coat using 18lbs bitumen and 1.5 cft Bajri) as per estimate TS by Chief Engineer.

The Committee **pended the para** with the observation that the Chief Engineer was not competent to change the specifications. It was the competency of the Finance Department. The Committee directed that the matter may be got regularized by the Finance Department.

69. Para No.90 Page 157 of Audit Report for the year 2001-2002; Overpayment of Rs.0.118 Million Due to Allowing Higher Rates.

30.11.2005 The Department explained that the recovery had been effected vide voucher No. 102/W&S dated 20-04-2005 which had been got verified by Audit.

The Committee **settled the para** with the directions that warring be issued and placed in the ACRs dossiers of the concerned officers/officials.

70. Para No.91 Pages 157 & 158 of Audit Report for the year 2001-2002; Overpayment of Rs.2.425 Million Against the Provision of Technically Sanctioned Estimate.

30.11.2005 The Department explained that the quantities had been paid in accordance with the revised technical sanction estimate dated 25-05-2004 by the competent authority.

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

71. Para No.92 Pages 158 & 159 of Audit Report for the year 2001-2002; Overpayment of Rs.2.279 Million Due to Allowing Higher Rates.

30.11.2005 The Department explained that Rs. 0.889 million had been recovered from the security deposit of the first contractor, who had left the work incomplete. The work was allotted to the second contractor on the risk and cost basis. The first contractor had gone in the civil court. The civil court had appointed arbitrator and the next date of hearing was fixed for 05-12-2005.

The Committee **kept the para pended** till the decision of the competent court.

72. Para No.94 Pages 160 & 161 of Audit Report for the year 2001-2002; Non-Recovery of Outstanding Dues Rs.0.115 Million.

30.11.2005 The Department explained that the outstanding balance related to provincial set-up could not be adjusted as the suspense account was not operational under district set up. The adjustment would be made on receipt of directions/clarification from the government.

The Committee **settled the para** with the directions that the adjustment of suspense accounts be made till the 1st June 2006.

73. Para No.95 Pages 161 & 162 of Audit Report for the year 2001-2002; Irregular Payment of Rs.3.568 Million Against the provision of Technically Sanctioned Estimate

18.10.2006 The Department explained that the quantities executed at site were within the revised TS estimate by the competent authority on 25.5.2004.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

74. Para No.96 Pages 165 & 166 of Audit Report for the year 2001-2002; Overpayment of Rs.0.101 Million Due to Excessive Lead.

75. Para No.97 Pages 166 & 167 of Audit Report for the year 2001-2002; Overpayment of Rs.0.109 Million Due to Excessive Lead.

76. Para No.98 Page 167 of Audit Report for the year 2001-2002; Overpayment of Rs.0.075 Million Due to Excessive Lead.

30.11.2005 The Department explained that the distance between Chiniot and Faisalabad was 26 miles. The administrative approval had been issued by the competent authority based on analyses of rates having distance 26 miles. Now the EDO (W&S) Pakpattan had also personally measured the distance and found that the departmental stance was correct.

The Committee accepted the explanation of the department and **the paras were settled.**

77. Para No.101 Pages 169 & 170 of Audit Report for the year 2001-2002; Overpayment of Rs.0.148 Million Due to Acceptance of Tender at Higher Rates.

30.11.2005 The Department explained that the scheme construction of M/R from Rakh Pakpattan PASSCO Godowns to Chak No. 16/SP, 15/SP, 14/SP and Kumahariwala was

Administratively Approved. Amended scheme was approved for Rs.19.723 million vide letter no. dated 29-02-1996 and the detailed estimate was Technically Sanctioned for Rs.19.771 million vide Chief Engineer (South) Punjab Highway Department Lahore letter no. dated 03-03-1996. The tender for the scheme/work was invited on 28-05-1995 from contractors pre-qualified by the Chief Engineer (South) Punjab Highway Department Lahore vide letter no. dated 14-05-1995. The rates quoted by M/s. Riaz Construction Company Sahiwal were lowest and the tendered cost worked out was Rs.15.895 million i.e. 5.48% above TS estimate. Meanwhile premium on CSR-1998 was enhanced by the competent authority and thus amended approval was issued. The tenders were kept pending for want of amended Administrative Approval/TS by the competent authority.

It was also stated that the tenders were forwarded to SE, Highway Circle, Multan vide EE, Highway division Pakpattan letter No. dated 13-12-1995. The tenders were forwarded to Chief Engineer (South) Punjab Highway Department Lahore by the SE, Highway Circle, Multan vide letter no. dated 01-01-1996. After issue of Administrative Approval/TS by the competent authority, the lowest tender was approved for Rs.15.766 million by the Chief Engineer (South) Punjab Highway Department Lahore vide letter no. dated 03.03.1996 and thus work was awarded to M/s. Riaz Construction Co, Sahiwal vide acceptance letter No. 481/M dated 04-03-1996. The rates quoted by the contractor were competitive.

The Committee accepted the explanation of the department and **the para was settled.**

78. Para No.106 Pages 173 & 174 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.121 Million in Violation of Specification.

30.11.2005 The Department explained that the provision of item of work “Rubbing and polishing grit floor” existed in the detailed technical sanction estimate. Therefore no irregular payment was made.

The Committee accepted the explanation of the department and **the para was settled.**

79. Para No.111 Pages 180 & 181 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.529 Million Due to Non-Closing of Manufacture Account.

30.11.2005 The Department explained that the operational charges of this provision Rs.339,802/- had been adjusted in the June final account of 2001 and the balance amount related to the previous period since 1983. The Department also stated that it was making efforts to find out the reasons for non-adjustment of the operational charges from the concerned staff.

The Committee reduced the para to the extent of adjustment made and directed that the balance amount be adjusted before the 1st June 2006.

The para was kept pending.

80. Para No.112 Pages 181 & 182 of Audit Report for the year 2001-2002; Unauthorized Payment of Rs.18.101 Million Without Pre-Audit of Bills from the Divisional Accounts Officer.

30.11.2005 The department explained that Divisional Accounts Officer of the division was transferred and the successor DAO joined his duties after two weeks and during the same period, the payment of the above stated amount was made.

The Committee observed that an expenditure of Rs.18.101 million had been incurred during a period of 14 days only without pre-audit scrutiny of the bills by the DAO, which was irregular and the Department could not explain the genuineness of the expenditure.

After detailed discussion, the Committee desired that the concerned DDO and other officials involved in the payment of aforesaid amount should be directed to appear before the PAC in its next meeting to explain the factual position of the matter alongwith all the relevant record.

The para was kept pending.

81. Para No. 122 Pages 196 & 197 of Audit Report for the year 2001-2002; Non-Recovery of Secured Advance of Rs.1.832 Million.

17.03.2007 The Department explained that the outstanding secured advance of Rs. 1.832 million had been recovered in the 28th running bill and entered in the MB 752 at pages Nos. 86 to 179 on 2.11.1999.

The Administrative Secretary also assured the Committee that disciplinary action would be taken against the concerned officers/officials who had made the payment without pre-audit.

The Committee kept the para pending.

82. Para No.123 Pages 197 & 198 of Audit Report for the year 2001-2002; Non-Credit of Public Money to Government Revenue Worth Rs.1.619 Million.

29.11.2005 The Department explained that the amount of Rs.1,619,000/- received from M/s. Abdul Rehman Abbassi as cost of old material had been credited to the revenue head vide TE No. 1 of September 2005.

The Committee took serious notice for retention of government money in deposit for 16 years instead of crediting the amount to government revenue.

The Committee **kept the para pending** with the directions that disciplinary action be taken against the responsables under intimation to PAC within 90 days.

83. Para No.125 Page 201 of Audit Report for the year 2001-2002; Irregular Release of Security Deposit Worth Rs.0.300 Million.

29.11.2005 The Department explained that the part of security amounting to Rs.225,000/- was released as per instruction of the Finance Department vide No. RO(Tech)FD-1-2/83(Vol-VI)(Part-I) dated 28-9-1994 read with Clause-50 of contract agreement. Only 5% security deposit was required to be retained against work done. Besides Rs.75,000/- were paid to Pakistan Railways as cost of shutdown for installation of over head Feeder across the track, in the interest of work.

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

84. Para No.126 Page 202 of Audit Report for the year 2001-2002; Loss of Rs.2.043 Million Due to Theft of Electric Installation.

29.11.2005 The Department explained that during the execution of work some material was stolen and the work was rescinded by the competent authority due to breach in terms & conditions and non-fulfillment of contractual obligations vide Memo No. 107 dated 14.01.2005 under the Clause 60-61 of the Contractor Agreement. Now MEPCO had been requested for estimation of the remaining work including the stolen material which would be executed at the risk & cost of the Contractor.

The Committee **kept the para pending** and desired that the matter be resolved with WAPDA within 6 months.

85. Para No.127 Pages 205 & 206 of Audit Report for the year 2001-2002; Overpayment of Rs.0.194 Million Due to Excess Quantities.

29.11.2005 The Department stated that the Bar bending schedule/RCC work (bridges) was duly approved by the competent authority and the work was executed strictly in accordance with the approved design.

The Committee **kept the para pending** for verification of work by Audit.

86. Para No.128 Pages 206 & 207 of Audit Report for the year 2001-2002; Overpayment of Rs.0.183 Million by Violating the Specifications.

18.10.2006 The Department explained that the board specifications issued by the Chief Engineer (South) vide No. 18-DSC/84/87-103 dated 14-9-1985 were for Inter-College while the scheme under observation was for Degree College. So this letter was not applicable in the instant case.

The Committee accepted the explanation of the department and **the para was settled.**

87. Para No.130 Page 208 of Audit Report for the year 2001-2002; Non-Accountal of Material of Rs.3.496 Million.

18.10.2006 Audit stated that the department representative produced only acknowledgement of minor quantity of fans handed over to the clients department but the accountal and consumption of purchased 12040 fans was not shown to audit.

The Department explained that record was available for verification.

The para was kept pending with the directions that the record be got verified by audit by the next day.

17.03.2007 The Department explained that the relevant record i.e. accountal roll had been got verified by audit.

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

88. Para No.140 Page 224 of Audit Report for the year 2001-2002; Overpayment of Rs.0.137 Million Due to Non-Adjustment of Available Earth.

30.11.2005 The Department explained that the site selected for school building was a solid waste dumping side. The foundation of structure was placed as per instructions of BRS, Lahore and it was necessary to remove the garbage and solid waste to proper location. The matter had been therefore been reported to the competent authority.

Audit stated that departmental contention was not justified in view of available record.

The para was kept pending with the directions that department should get the record verified and take necessary action in respect of all three paras relating to Sialkot District.

89. Para No. 141 Page 225 of Audit Report for the year 2001-2002; Non-Recovery of Penal Rent of Rs.0.088 Million.

17.03.2007 The Department explained that the quarters No. 4 & 5 at Pasroor were under unauthorized occupation of M/s. Azmat Khan, ASI and Muhammad Khalid H/Constable of Police Department. The DPO Sialkot had been requested many times for effecting the recovery from the concerned police officials but no response had been received. So far as the third quarter under occupation of Mr. Abdul Rauf, Sub-Engineer was concerned he had regularly paid the house rent from his salary.

The Committee settled the part of Mr. Abdul Rauf, Sub-Engineer on the recommendation of audit and desired that DPO, Sialkot be called on 30.4.2007 to explain the latest position.

This part was kept pending.

30.04.2007 The Department explained that the para was discussed in the PAC meeting held on 17.3.2007 and was kept pending with the direction that the concerned District Police Officer be called to apprise the committee about the latest position.

On 30-4-2007 the Superintendent Police (Investigation) Sialkot was present in the meeting and he informed the committee that M/s Azmat Khan, ASI and Muhammad Khalid, Head Constable never resided in the quarters mentioned in the para. Moreover the department stated that recovery from Mr. Abdul Rauf, Sub Engineer had already been made and got verified by audit.

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

90. Para No. 143 Pages 226 & 227 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.0.175 Million on Rent House and Non-Recovery of Rent Rs.2.683 Million

17.03.2007 The Department explained that expenditure was incurred on M & R of civil rest house Sialkot which was under Administrative control of District Administration and recovery was being effected by them. Meanwhile the TS estimate T & P and stock register had been produced to Audit for verification.

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

91. Para No. 144 Pages 227 & 228 of Audit Report for the year 2001-2002; Loss of Rs.6.263 Million Due to non-Mutation of Land in the Name of Government

17.03.2007 The Department explained that the department being Executive agency was responsible for the construction of Police Station of Pasoor so far as the matter of mutation of land was concerned, the same related to the Police Department. It was also stated that the Administrative Approval was issued by the Police Department.

The Committee kept the para pending with the directions that the DPO Sialkot be called on 30.4.2007 to explain the latest position before the PAC.

30.04.2007 The Department explained that the para was discussed in the PAC meeting held on 17-3-2007 and was kept pending with the direction that the concerned District Police Officer be called to apprise the committee about the latest position.

The representative of Police Department informed that the land owner filed a writ petition in the Lahore High Court, Lahore and as per directions/decisions of the Lahore High Court Lahore, the administrative approval amounting to Rs.6.780 Million was issued by Home Department through letter No.HP-II/3-2/90 dated 3-5-1999. Accordingly the Buildings Department issued cheque in respect of the price of the land.

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

92. Para No. 147 Pages 230 & 231 of Audit Report for the year 2001-2002; Non-Accountal of Material of Rs.6.244 Million.

17.03.2007 The Department explained that the fans had been accounted for and the stock registers were properly maintained in which receipt and issue of the fans existed.

The Committee accepted the explanation of the department and **the para was settled.**

93. Para No.149 Page 235 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.277 Million Due to Improper Utilization of the Savings.

30.11.2005 The Department explained that the para had been discussed in the DAC meeting held on 25-01-2003 wherein it was decided that department should get revised administrative approval. Accordingly revised AA had been accorded by the competent authority amounting to Rs.2.010 million and the requisite record had been got verified by audit.

Audit verified the departmental contention in the meeting.

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

94. Para No.150 Page 236 of Audit Report for the year 2001-2002; Unauthorized Payment of Rs.0.071 Million Due to Difference of Quantity in Measurements.

30.11.2005 The Department explained that as per directions of DAC meeting held on 25.1.2003 requisite MB and final bill had been got verified by audit and a warning had been issued to the concerned officials to avoid such lapses in future.

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

**SPECIAL AUDIT REPORT FOR THE YEAR 2001-02
ON CONSRUCTION OF FIVE PROVINCIAL HIGHWAY PROJECTS
FOR THE PERIOD 1992-2002**

1. Para No.1.1 Page 8 of Special Audit Report for the year 2001-2002; Overpayment of Rs.9.473 Million Due to Less Utilization of Bitumen as per Designed Formula.

19.12.2006 The Department explained that necessary action had been taken and departmental contention in respect of the para had been got verified by audit.

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

2. **Para No.1.3 Pages 9, 10 & 11 of Special Audit Report for the year 2001-2002; Overpayment of Rs.3.612 Million Due to Execution of Extra/Substitute Items Provided in CSR 1998 Instead of 1979.**
-

19.12.2006 The Department explained that as per contract agreement clause 42 rate of the additional work were negotiated with the contractor and before making payment were got approved by the competent authority and the revised technical sanction had also been obtained.

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

3. **Para No.1.4 Pages 11 & 12 of Special Audit Report for the year 2001-2002; Overpayment of Rs.2.714 Million Due to Non-Observance of Chief Engineer's Instruction.**
-

19.12.2006 The Department explained that payment had been made according to the TS estimate and no over payment was involved.

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

4. **Para No.1.5 Pages 12 & 13 of Special Audit Report for the year 2001-2002; Overpayment of Rs.1.699 Million Due to Execution of Excessive Quantities Instead of Admissible.**
-

19.12.2006 The Department explained that quantity of earth work was approved by the Chief Engineer vide order dated 22-3-1993 and the same was recorded in the MB and paid to the contractor as per approval of the Engineer Incharge. The quantities provided in the acceptance letter were in accordance with the TS estimate approved by the competent authority.

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

5. **Para No.1.6 Pages 13 & 14 of Special Audit Report for the year 2001-2002; Overpayment of Rs.1.578 Million Due to Execution of Excessive Quantities than Admissible.**
-

19.12.2006 The Department explained that quantities of earth work in the original TS estimate was 4484000 CFT but during the course of construction due to addition of one inter-section and inclusion of some portion, the quantity of earth work was enhanced. Before making payment to the contractor, the quantity of earth work was got approved from the competent authority and no over payment was involved.

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

6. Para No.1.7 Pages 14 & 15 of Special Audit Report for the year 2001-2002; Overpayment of Rs.2.037 Million Due to Non-Adjustment of Price Variation.

19.12.2006 The Department explained that the price of cement kept on fluctuating during course of execution of work against base price and the increase and decrease in the rates was payable to the contractor instead of any recovery on this account, as such no over payment was involved.

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

7. Para No.1.8 Pages 15 & 16 of Special Audit Report for the year 2001-2002; Overpayment of Rs.1.117 Million Due to Non-Deduction of Area of Kerb Stone from Sub Base and Base Course.

19.12.2006 The Department explained that work had been executed as per provision of TS estimate sanctioned by the competent authority vide order dated 5-1-1999.

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

8. Para No. 1.9 Pages 16 & 17 of Special Audit Report for the year 2001-2002; Overpayment of Rs.3.548 Million Due to Award of Already Executed Work to Another Contractor.

17.03.2007 The Department explained that the administrative approval was issued for a length of 29.00 kilometer and road was also constructed in the same length. Hence no further revision of administrative approval was required.

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

9. Para No.1.10 Pages 17 & 18 of Special Audit Report for the year 2001-2002; Overpayment of Rs.0.150 Million Due to Increase in the Thickness of Triple Surface Treatment (TST) During Overall Measurements Against the Design Given by Research Laboratory

19.12.2006 The Department explained that keeping in view the road condition necessary provision of removal of undulation exceeded in the TS estimate sanctioned by competent authority vide order dated 14.9.2002. The measurement made for actual material was recorded in the MB and payment was released accordingly.

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

10. **Para No.1.11 Pages 18 & 19 of Special Audit Report for the year 2001-2002; Overpayment of Rs.0.101 Million Due to Non-Deduction of Areas of Culverts/Bridges/Brick Edging.**

19.12.2006 The Department explained that record entries had been made after deduction of area of culverts and brick edging as per TS estimate.

The Committee settled the para subject to verification by audit.

11. **Para No.1.12 Pages 19 & 20 of Special Audit Report for the year 2001-2002; Overpayment of Rs.2.55 Million Due to Fake Measurements.**

19.12.2006 The Department explained that work had been executed as per drawing/design and provision of TS estimate and the practice of testing pitting was adopted to record the thickness of sand filling.

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

12. **Para No.1.13 Page 20 of Special Audit Report for the year 2001-2002; Overpayment of Rs.0.443 Million Due to Execution of Excessive Quantities.**

19.12.2006 The Department explained that the rates of the contractor were competitive and the scope of work was adjusted within the permissible limit and no irregularity was committed.

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

13. **Para No.1.14 Page 21 of Special Audit Report for the year 2001-2002; Overpayment of Rs.0.829 Million Due to Non-Observance of Standard Specifications and Contract Clause.**

19.12.2006 The Department explained that the work was carried out within the TS estimate sanctioned by the competent authority and no over payment was made.

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

14. **Para No.1.15 Pages 21 & 22 of Special Audit Report for the year 2001-2002; Overpayment of Rs.0.586 Million Due to Non-Deduction of the Area of Road Edging from the Paid Quantities of Sub-Base Course.**

19.12.2006 The Department explained that incompliance with the instruction of Chief Engineer, no excavation was paid. However, the same was compensated in making embankment.

On the recommendation of audit, the para was settled.

- 15. Para No.1.16 Pages 22 & 23 of Special Audit Report for the year 2001-2002; Overpayment of Rs.0.156 Million Due to Releasing Full Payment for Partially Executed Item.**
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19.12.2006 The Department explained that the rate allowed to the contractor for compensation of work actually executed at site was approved and got TS vide orders dated 5.1.1999.

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

- 16. Para No.1.17 Page 23 of Special Audit Report for the year 2001-2002; Overpayment of Rs.0.248 Million Due to Payment of Escalation Inspite of Variation of Rates Within 5 Percent.**
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19.12.2006 The Department explained that payment of price variation was made as per provision of clause 55(4) of contract agreement.

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

- 17. Para No.1.18 Page 24 of Special Audit Report for the year 2001-2002; Overpayment of Rs.0.085 Million Due to Incorrect Measurement.**
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19.12.2006 The Department explained that final payment was released to the contractor after over all measurement of the work and no over payment was involved.

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

- 18. Para No.1.19 Pages 24 & 25 of Special Audit Report for the year 2001-2002; Overpayment of Rs.0.094 Million Due to Non-Deduction of Area of Triple Surface Treatment (TST) from Gross Quantities of Earth Work for Making Embankment.**
-

19.12.2006 The Department explained that deduction of TST neither existed in the TS estimate nor required to be deducted from the quantity of earth work. Therefore, no over payment was made.

The Committee **settled the para subject to verification** by audit.

- 19. Para No.2.1 Pages 25 & 26 of Special Audit Report for the year 2001-2002; Non-Recovery of Rs.4.349 Million Due to Execution of Left Over Work Without Any Penal Action Against Defaulting Contractor.**
-

19.12.2006 The Department explained that balance work was completed by MM division of Lahore on risk and cost of the contractor and the accounts were being finalized and the out standing amount shall be recovered in the finalization process.

The para was kept pending for recovery within two months.

20. Para No. 2.2 Pages 26 & 27 of Special Audit Report for the year 2001-2002; Non-Recovery of Rs.4.162 Million Due to Difference of Rebate From Defaulting Contractor.

17.03.2007 The Department explained that out of Rs.4.162 million only Rs.1,763,462/- pertained to this division and rest of the amount related to other divisions. It was further stated that the extension in time limit had been granted by the competent authority without imposing any penalty and the contract was finalized within the extended time.

Audit verified the contention of the Department and recommended this part for settlement.

This part of the **para related to Gujrat Division settled.**

21. Para No.2.3 Pages 27 & 28 of Special Audit Report for the year 2001-2002; Unauthorized Payment Rs.1.010 Million Due to Non-Implementation of Contract Clause 39 and Fictitious Measurement.

19.12.2006 The Department explained that audit had only calculated the length and department had already taken action against the officers at fault and the work was completed within the agreement limit.

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

22. Para No.2.5 Pages 29 & 30 of Special Audit Report for the year 2001-2002; Short Recovery of Rs.1.049 Million Due to Less Deduction of Income Tax

19.12.2006 The Department explained that partial recovery had been effected and efforts were being made for recovery of balance amount.

The Committee reduced the para to the extent of recovery effected and directed that balance recovery be effected as arrears of land revenue.

The para was kept pending.

23. Para No.2.6 Pages 30 & 31 of Special Audit Report for the year 2001-2002; Non-Recovery of Hire Charges of Machinery Worth Rs.0.805 Million.

19.12.2006 The Department explained that actual recovery had been effected on account of higher charges of machinery which could be verified from the available record.

The para was conditionally settled, subject to verification by audit.

24. Para No.3.1 Page 32 of Special Audit Report for the year 2001-2002; Non-realization of Revenue Rs.11.576 Million From Encroachers for Using Government Land.

19.12.2006 The Department explained that land acquired for the projects was strictly watched by the LACO interims of encroachments ETC and the land which was not used by the department was being utilized by the Forest Department for plantation of cultivation and the audit had calculated the amount of the para on the basis of assumptions.

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

25. Para No.3.2 Page 33 of Special Audit Report for the year 2001-2002; Unjustified Payment of Rs.3.328 Million Due to Late Award of Land.

19.12.2006 The Department explained that the department took the possession of the land in the public interest for scheduled execution of the project but the payment to the owner could not be made without assessment by the revenue staff. The delay in the matter resulted in payment of compound interest and the same was covered under the rules.

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

26. Para No. 3.3 Pages 33 & 34 of Special Audit Report for the year 2001-2002; Unjustified Payment of Rs.2.961 Million Due to Allowing Rebate Against Contract Provision.

17.03.2007 The Department explained that the earth work had been carried out according to the provision in the estimate and paid as per agreement.

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

28. Para No.3.4 Pages 34 & 35 of Special Audit Report for the year 2001-2002; Irregular Payment of Rs.10.810 Million Due to Non-Attachment of Approved Lead Chart.

19.12.2006 The Department explained that signal carriageway was to be constructed in middle of ROW but later it was decided to construct the same at the extreme end of ROW. The survey report reflected that no soil had been excavated from ROW at the time of completion of the project.

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

- 29. Para No.3.5 Page 35 & 36 of Special Audit Report for the year 2001-2002; Unauthorized Payment of Rs.4.375 Million Due to Acceptance of Higher Tender Rates.**
-

19.12.2006 The Department explained that due to change of rates amended administrative approval, TS and tendering were obtained by the department and the payment was made after observing all the codal formalities.

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

- 30. Para No.3.6 Pages 36 & 37 of Special Audit Report for the year 2001-2002; Unauthorized Payment of Rs.3.661 Million Due to Acceptance of Tender at Higher Rate.**
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19.12.2006 The Department explained that a case had been taken up with the competent authority for policy decision regarding enhanced market rates and revision of scheme for minor amounts.

The para was kept pending with the direction that matter be decided within 30 days.

- 31. Para No.3.7 Page 38 of Special Audit Report for the year 2001-2002; Sub-Standard Work Amounting to Rs.23.319 Million.**
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19.12.2006 The Administrative Secretary stated that a probe was required in the matter to thrash out the facts.

The para was kept pending.

- 32. Para No.3.8 Page 39 of Special Audit Report for the year 2001-2002; Sub-Standard Work Amounting to Rs.14.428 Million.**
-

19.12.2006 The Department explained that keeping in view the tests result a layer of appropriate thickness based on the maximum deficiency was laid down for rectification under the provision of the contract.

The para was conditionally settled subject to verification of the report of road research laboratory.

- 27. Para No.3.10 Pages 40 & 41 of Special Audit Report for the year 2001-2002; Unauthorized Adjustment of Rebate Rs.10.707 Million.**
-

19.12.2006 The Department explained that the traffic which passed over Motorway Bridge at Babu Sabu was only accounted after the opening of motorway on 26.11.1996 which was in accordance with the requirement of the conditions laid down in the bid and no irregularity or loss to the government was involved in the matter.

The Committee accepted the explanation of the Department and the paras were settled.

33. Para No.3.15 Page 45 of Special Audit Report for the year 2001-2002; Irregular Expenditure of Rs.26.268 Million Due to Change in Design.

19.12.2006 The Department explained that work had been executed as per provision in the detailed TS estimate and revised administrative approval and all the codal formalities had been observed.

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

34. Para No.3.16 Page 46 of Special Audit Report for the year 2001-2002; Unjustified Payment of Rs.0.310 Million Due to Allowing Higher Rate.

19.12.2006 The Department explained that work was got executed according to the contractual obligations and M/s. Angola Enterprises had refused to do the work and therefore balance work was withdrawn and included in the scope of first group. Moreover, the department had adopted appropriate way for completion of work in economical manner after observing all the codal formalities.

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

35. Para No.3.18 Pages 47 & 48 of Special Audit Report for the year 2001-2002; Unauthorized Acceptance of Tender Worth Rs.67.926 million

19.12.2006 The Department explained that grouping had been permitted by the competent authority in the public interest to complete the work in the earliest possible time. As the action was covered under the rules the question of unauthorized acceptance did not arise. Moreover, the tenders were approved by the competent authority.

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

36. Para No.3.19 Pages 48 & 49 of Special Audit Report for the year 2001-2002; Un-Justified payment of Rs.2.522 Million Due to Allowing Higher Rate.

19.12.2006 The Department explained that the payment had been released to the contractor on approved rates after getting the revised administrative approval and TS by the competent authority.

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

37. Para No.3.24 Page 53 of Special Audit Report for the year 2001-2002; Irregular Calling and Acceptance of Tenders for Rs.26.828 Million.

19.12.2006 The Department explained that tenders were accepted after getting TS from the competent authority and no violation of rules had been committed.

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

38. Para No.3.30 Pages 58 & 59 of Special Audit Report for the year 2001-2002; Non-Obtaining of Bank Guarantee for Rs.8.435 Million Resulting Loss of Rs.1.574 Million.

19.12.2006 The Department explained that no performance guarantee had been obtained from the contractor and all the contracts had been successfully completed.

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

39. Para No.3.32 Page 60 & 61 of Special Audit Report for the year 2001-2002; Irregular payment of Rs. 5.397 million due to change of scope of work

19.12.2006 The Department explained that no doubt the service roads were originally approved and were part of the contract along with the main Ferozepur Road, the quantum of work of main road which was a priority work a compare to the service roads, increased due to time to time instructions by the than Chief Minister during project inspections. The increase in the cost of the main Ferozepur Road was mainly due to increase in width of each carriageway from 36feet to 42 feet.

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

40. Para No.3.34 Pages 62 & 63 of Special Audit Report for the year 2001-2002; Irregular Release of Security Deposit Rs.8.471 Million Prior to Completion of Maintenance Period.

19.12.2006 The Department explained that as per clause 50(b) of the contract agreement, security had been released against the bank guarantee and no violation of rules was committed.

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

41. Para No.3.41 Pages 69 & 70 of Special Audit Report for the year 2001-2002; Premature Release of Security Deposit of Contractor Rs.6.782 Million.

19.12.2006 The Department explained that on formation of negotiation committee by the Chief Engineer's office in terms of the conditional bid accepted by that office tempted the toll contractor to file writ petition in the Lahore High Court. The High Court granted status quo order. These factors up-set the schedule of deposit of two monthly installments by the contractor. The Executive Engineer administrating the contract having been pushed into a tight corner in the circumstances had no option except to encash the bank guarantee to save the Government from financial loss. Encashment of bank guarantee

was not deliberate but was dictated by the circumstances beyond the control of the Divisional officer as stated above.

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

42. Para No. 3.45 Pages 72 & 73 of Special Audit Report for the year 2001-2002; Irregular Sanction to Detailed Estimate for Rs.7.762 Million Resulting Fictitious Payment of Rs.1.352 Million.

17.03.2007 The Department explained that the administrative approval was issued for a length of 29.50 kilometer and road was also constructed in the same length. Hence no further administrative approval was required.

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

43. Para No. 3.48 Pages 75 & 76 of Special Audit Report for the year 2001-2002; Unauthorized Payment of Rs.0.532 Million.

17.03.2007 The Department explained that granting extension in time limit without penalty had been got verified by the audit.

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

SPECIAL AUDIT REPORT FOR THE YEAR 2001-2002

On Construction of Punjab House, Islamabad

30.04.2007 The Department explained that actually the administrative department was S&GAD department which had not yet issued the PC-I of the Punjab House, Islamabad and the final bill was also yet not cleared. The department requested that 4 months be granted to reconcile the record with the S&GAD and also stated that S&GAD department be called in the next meeting.

The Committee acceded to the request of the department and deferred the consideration of Special Audit Report with the directions that the PC-I and PC-IV be completed within 4 months and S&GAD department would be called in the next meeting.

GENERAL OBSERVATIONS/DIRECTIONS

17.03.2007 The Administrative Secretary could not justify the huge savings under various heads of account and stated that the reasons for these savings were best known to the concerned Secretary posted in the C & W Department during the period relevant to the Appropriation Accounts for the year 2001-02.

The Committee deferred the consideration of all the remaining items of Appropriation Accounts with the directions that the concerned Administrative Secretary should attend the next meeting of Public Accounts Committee-II to explain the reasons for huge savings during the period on his posting.

EDUCATION

The paras were discussed in the meetings of PAC-II held on 25.02.2006, 27.02.2006, 28.02.2006, 28.07.2006, 29.07.2006, 31.07.2006, 18.08.2006, 25.01.2007, 26.01.2007, 27.01.2007, 18.05.2007 and 30.05.2007.

UNIVERSITY OF THE PUNJAB
Audit Paras (Civil) for the year 2001-2002

1. Para No.1 Page 8 of Audit Report for the year 2001-2002; Non-Recovery of Electricity and Sui Gas Charges from Shopkeepers and Hostels Valuing Rs.11,083,495/-

28.07.2006 The Department explained that the para consisted of two parts:-

- a. The Department explained that out of Rs.302284/- (Electricity & Sui Gas charges) a sum of Rs.219875/- that Rs.13,905/- had been recovered from the contractor of the main cafeteria leaving a balance of Rs.68504/-. The said contractor had absconded and FIR had been lodged against him.

This part was kept pending for balance recovery.

- b. **Less recovery of electricity charges.**

The department explained that as per decision of the Syndicate, the electricity dues were to be charged from every student residing in the hostels @Rs.660/- per annum. The electricity dues were received from each student in advance at the time of admission, hence nothing was outstanding. It was also stated that presently Rs.840/- per annum were being received from every student who is residing in the hostel.

The Committee **settled this part.**

2. Para No.2 Pages 8 & 9 of Audit Report for the year 2001-2002; Non-Recovery of Lease Money and Sale Proceeds of Fodder/Vegetable Worth Rs.8,153,439/-

28.07.2006 The Department explained that the para was discussed in the PAC meeting held on 17.5.2005 and as per directions of the PAC a sum of Rs. 188,952/- had been recovered leaving a balance of Rs. 1183000/-. It was also stated that the whereabouts of the defaulting tenants were not known to the Department hence department was facing difficulty to recover the balance amount.

The Committee **kept the para pending** with the directions that an inquiry be conducted by Mr Amjad Saleemi, Additional Secretary (Budget) Education Department to fix the responsibility that why the transparent procedure for leasing out the University land was not adopted and be completed within 90 days under intimation to PAC.

3. Para No.3 Page 9 of Audit Report for the year 2001-2002; Irregular Payment of Incentive Allowance Worth Rs.3,305,097/-.

28.07.2006 The Department explained that this was not the allowance but an incentive awarded to the teachers annually on the basis of their performance in research/field work. This award was granted on the recommendations of Committee constituted for the said purpose.

The Committee was of the view that approval of the Chancellor was necessary in this regard and **kept the para pending** with the directions that either the approval of Chancellor be sought within 90 days otherwise recovery be effected from the concerned officers.

4. Para No.4 Pages 9 & 10 of Audit Report for the year 2001-2002; Irregular Payment of Orderly Allowance to Professors and Pensioners Amounting to Rs.1,633,500/-

28.07.2006 The Department explained that the case for regularization of the allowance had been submitted to the Chancellor on 15-4-2005 but still no response had been received from the office of the Chancellor.

The Committee **kept the para pending** with the directions that the payment of orderly allowance be stopped forthwith and the matter be got regularized by the Chancellor within 90 days otherwise recovery be effected from the concerned teachers.

5. Para No.5 Page 10 of Audit Report for the year 2001-2002; Irregular Payment of House Rent Allowance to the Tune of Rs.1,341,090/- to the Occupants of University's Residences.

28.07.2006 The Department explained that the Syndicate in its meeting held on 19-6-1999 had approved that the Wardens and Superintendents should be granted House Rent Allowance as per rules in lieu of free facility of electricity & Sui Gass. In the light of this decision, the Wardens & Superintendent were allowed to draw their allowance but all utility charges were to be paid on actual consumption basis.

The para was kept pending for clarification of the relevant rules of the University of the Punjab.

6. Para No.6 Pages 10 & 11 of Audit Report for the year 2001-2002; Non-Recovery of 5% House Rent Deduction Amounting to Rs.1,196,881/-.

28.07.2006 The Department explained that the para of same nature was discussed in the PAC meeting held on 17.5.2005 and was settled.

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

7. Para No.7 Pages 11 & 12 of Audit Report for the year 2001-2002; Non-Recovery of Penal Rent Amounting to Rs.1,045,311/- from the Illegal Occupants After Expiry of Admissible Period.

28.07.2006 The Department explained that a sum of Rs. 25,000/- out of 67,833/- had been recovered from Mr. Munir Ahmed, ex-Assistant Registrar and the Vice Chancellor i.e. competent authority had granted extension for two months in case of Sahibzada M. Aslam, ex-Deputy Registrar. It was also stated that efforts were being made for the balance recovery.

The Committee **kept the para pending** with the directions that recovery be made from the pension or G.P. Fund as per rules or as arrears of land revenue as the case may be.

8. Para No.8 Page 12 of Audit Report for the year 2001-2002; Irregular Payment of Dress and Washing Allowance to Non-Entitled Officials Amounting to Rs.832,668/-.

28.07.2006 The Department explained that the same nature of para for the year 1997-98 had already been settled by the PAC in its meeting held on 8-7-2002.

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

9. Para No.9 Page 13 of Audit Report for the year 2001-2002; Overpayment of Medical Allowance to Gazetted Staff Valuing Rs.764,937/-.

28.07.2006 The Department explained that the medical allowance in lieu of medical facilities was approved by the Syndicate in pursuance of the recommendations of the Finance & Planning Committee with effect from 1st January 1988. The officers mentioned in the audit para had availed the medical allowance in lieu of medical facilities as per the approval of the Syndicate. However, later on the medical Advisory Committee recommended the medical facilities to all employees instead of Medical Allowance. The recommendations of the said Committee were approved by the Syndicate in its meeting dated 02-11-2002. The policy was made effective from 01-01-2003 and the medical allowance to the officers was withdrawn from that date. No medical allowance was being provided to any officer since the date of withdrawal. The Department also stated that the Medical Allowance was allowed in lieu of medical facility, the officers who opted allowance had not availed medical facility. So no double payment was made hence no recovery was involved.

The Committee **kept the para pending** with the directions that regularization/*ex-post facto* sanction be obtained by the Chancellor.

10. Para No.10 Pages 13 & 14 of Audit Report for the year 2001-2002; Misappropriation of Library Books Amounting to Rs.548,875/-.

28.07.2006 The Department explained that Rs. 53,686/- had been recovered and the remaining amount of Rs. 135,215/- had been written off by the competent authority.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

11. Para No.11 Page 14 of Audit Report for the year 2001-2002; Overpayment of Conveyance Allowance to Employees Residing Within the University Premises Worth Rs.535,536/-.

28.07.2006 The Department explained that the para of same nature was discussed in the PAC meeting held on 5-7-2005 and was settled.

The para was settled.

12. Para No.12 Page 15 of Audit Report for the year 2001-2002; Non-Deposit of Rent and Utility Charges by Two Branches of Habib Bank Limited Amounting to Rs.374,000/-.

28.07.2006 The Department explained that the paras of the same contents for the year 1999-2000 and 2000-2001 were discussed by PAC-I & PAC-II on 05-7-2005 and 31-5-2005 respectively and were settled.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

13. Para No.13 Page 15 of Audit Report for the year 2001-2002; Non-Recovery of Outstanding Fee from Various Classes Worth Rs.74,092/-.

28.07.2006 The Department explained that only Rs. 16,908/- was recoverable which had been recovered and got verified by audit.

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

14. Para No.14 Page 16 of Audit Report for the year 2001-2002; Non-Deduction of Income Tax at Source Amounting to Rs.53,136/-.

28.07.2006 The Department explained that the amount due had already been deducted at source in the department of the treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 15. Para No.15 Page 17 of Audit Report for the year 2001-2002; Non-Rendering of Vouched Accounts of Advances Paid to the Different Departments Worth Rs.7,737,944/-.**
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28.07.2006 The Department explained that all the advances pointed out by audit had been recovered/adjusted.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 16. Para No.16 Pages 17 & 18 of Audit Report for the year 2001-2002; Non-Deduction/Attachment of Sales Tax Invoices Valuing Rs.112,622/-.**
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28.07.2006 The Department explained that the major part of the amount of Rs. 95,950/- was related to the items exempted from sales tax and the efforts were being made for the balance recovery of Rs.16,672/-.

The para was kept pending for the recovery of balance amount at the earliest.

- 17. Para No.17 Page 19 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.27,452,555/- on Unauthorized Appointments in Violation of Austerity Measures.**
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- 18. Para No.22 Page 22 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of Fresh Appointments Amount (Not Assessed).**
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28.07.2006 The Department explained that as per University Act 1976, the Syndicate was competent to appoint the university teachers and other officers on the recommendations of selection board for teaching and other posts. The Prime Minister had lifted the ban for all universities vide his orders dated 17-5-1999. So all the appointments were made by the competent body and there was no irregularity.

Audit verified the contention of the Department and recommended the paras for settlement.

The paras were settled.

- 19. Para No.18 Pages 19 & 20 of Audit Report for the year 2001-2002; Irregular Expenditure Incurred on Purchase of Durable Goods in Violation of Austerity Measures Valuing Rs.2,556,555/-.**
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28.07.2006 The Department explained that the Syndicate was competent to “incur the expenditure for providing buildings, Library, premises, furniture, apparatus, equipments and other means required for carrying out the work of the University”. Since all the expenditure incurred for the purchase of durable goods was approved by the Syndicate, so there was no irregularity.

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

- 20. Para No.19 Pages 20 & 21 of Audit Report for the year 2001-2002; Un-Authorized Payment of Entertainment Allowance on Monthly Basis Worth Rs.585,600/-.**
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28.07.2006 The Department explained that *ad hoc* relief @Rs. 400/-pm was granted by the government.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 21. Para No.20 Page 21 of Audit Report for the year 2001-2002; Irregular Expenditure on the Insurance of Thirteen Vehicles Worth Rs.180,278/-.**
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28.07.2006 The Department explained that the vehicles were insured with National Insurance Company to cover the risk of damages & losses, in the light of Government Instructions.

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

- 22. Para No.21 Pages 21 & 22 of Audit Report for the year 2001-2002; Irregular Payment of Hot & Cold Weather Charges Valuing Rs.91,920/-.**
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28.07.2006 The Department explained that the amount of Rs. 91,920/- was paid to the different firms for the purchase of Ice & Coal and not as weather allowance to the employees of the University.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

23. Para No.23 Page 23 of Audit Report for the year 2001-2002; Un-Authorized Purchase of WAPDA Bonds Valuing Rs.728,513,429/- and Defective Internal Control System.

28.07.2006 The Department explained that an amount of Rs. 728.513 million related to endowment funds which was invested in TDRs and not invested in WAPDA Bonds. All these deposits were maintained in the Habib Bank Ltd. according to the decision of the Syndicate.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

24. Para No.24 Page 24 of Audit Report for the year 2001-2002; Un-Economical/Irregular Purchases Beyond Competency by Splitting Up the Indent Order Costing to Rs.935,162/-.

28.07.2006 The Department explained that all the purchases were made after observing the codal formalities and the purchase orders were placed to the lowest bidders. It was also stated that all the purchases were made by the Departmental Purchase Committee within their competency.

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

25. Para No.25 Page 25 of Audit Report for the year 2001-2002; Non-Production of Stock Registers at User's End Valuing Rs.2,026,465/-.

28.07.2006 The Department explained that all the stores including computers, photo copiers, office tables, books and other items had been properly entered on the stock registers of the recipients' offices and the audit had verified the record.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

26. Para No.26 Page 26 of Audit Report for the year 2001-2002; Non-Production of Record Amounting to Rs.866,275/-.

28.07.2006 The Department explained that all the documents/material purchased had been taken into account and stock registers had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

27. Para No.27 Page 26 of Audit Report for the year 2001-2002; Non-Production of Consumption Account of Consumable Articles Worth Rs.687,862/-.

28.07.2006 The Department explained that all relevant consumption record had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

28. Para No.28 Page 27 of Audit Report for the year 2001-2002; Misappropriation of Stocks Worth Rs.243,751/-.

28.07.2006 The Department explained that the stock registers pertaining the entries of items under objection had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

FATIMA JINNAH WOMEN UNIVERSITY, RAWALPINDI
Audit Paras (Civil) for the year 2001-2002

1. Para No.1 Page 8 of Audit Report for the year 2001-2002; Non Deduction of 10% House Rent on Furnished and Designed Accommodation and Un-Authorized Payment of Orderly Allowances Worth Rs.85,657/-

28.07.2006 The Department explained that the recovery of House Rent Allowance @5% had already been made and got verified by audit. However, the case for regularization of the orderly allowance had been referred to the Chancellor for his approval.

The Committee **settled the portion of the para** related to the House Rent and directed that the payment of orderly allowance be stopped forthwith and the matter be got regularized by the Chancellor within 90 days otherwise recovery be effected from the concerned officers.

2. Para No.2 Page 9 of Audit Report for the year 2001-2002; Irregular Payment of Electricity Charges Valuing Rs.2,941,650/-.

28.07.2006 The Department explained that the matter was discussed in the SDAC meeting held on 18,19/4-2003 and as per the decision of SDAC, the PWD authorities had been requested to refund Rs.396,432/- to the F.J.W.U, as utility charges paid on their behalf. It was also stated that this expenditure was related to the PWD prior to the functioning of the F.J.W. University in this premises.

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

3. Para No.3 Page 10 of Audit Report for the year 2001-2002; Un-Economical Expenditures on Purchase of Stationary Worth Rs.1,075,114

28.07.2006 The Department requested that the para may kindly be pended for 31-7-2006, as the Vice-Chancellor was not present in the meeting.

On 31-7-2006, The Department explained that the entire expenditure had been got regularized by the Syndicate in its meeting held on 26-10-2002.

The Committee **kept the para pending** with the directions that the expenditure be got regularized specifically to the extent of irregularities pointed by audit.

ISLAMIYA UNIVERSIY BAHAWALPUR
Audit Paras (Civil) for the year 2001-2002

1. Para No.1 Page 5 of Audit Report for the year 2001-2002; Loss to University Due to Non Payment of Utility Bills for Rs.4,401,764/-.

29.07.2006 The Department explained that the separate sub-meters had already been installed at the resident's colony and electricity, sui gas charges were also being deducted from the students @Rs.2,000/- and Rs.700/- per annum respectively.

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

2. Para No.2 Page 6 of Audit Report for the year 2001-2002; Unauthorized Payment of Orderly Allowance to the Professors Amounting to Rs.729,600/-

29.07.2006 The Department explained that the case for regularization of the allowance had been submitted to the Chancellor on 11.4.2005 but still no response had been received from the office of the Chancellor.

The Committee **kept the para pending** with the directions that the payment of orderly allowance be stopped forthwith and the matter be got regularized by the Chancellor within 90 days otherwise recovery be effected from the concerned officers.

3. Para No.3 Pages 6 & 7 of Audit Report for the year 2001-2002; Recovery on Accounts of Lease Income Against Lessee Valuing Rs.408,070/-

29.07.2006 The Department explained that efforts were being made for the balance recovery and the amount had been declared for recovery as arrears of land revenue.

The Committee **kept the para pending** with the directions that the recovery be made at the earliest.

4. Para No.4 Page 7 of Audit Report for the year 2001-2002; Non-Recovery of Utility Charges From Contractors Worth Rs.245,690/- .

29.07.2006 The Department explained that Rs. 17014/- and Rs. 48,485/- and Rs. 50,000/- had been recovered from Mr. Saleem Ahmed, Mr. Imtiaz Ahmed and Sheikh Maqbool Ahmed, Contractor and efforts were being made for balance recovery.

The Committee reduced the para to the extent of recovery and **kept pending** for balance recovery at the earliest.

5. Para No.5 Page 8 of Audit Report for the year 2001-2002; Non-Recovery of Outstanding Examination Fee and Tuition Fee Valuing Rs.189,400/- (Reduced to Rs.46,475/-)

29.07.2006 The Department explained that the para was reduced to Rs.46,475/- in SDAC meeting held on 28,29/3/2003 and out of the balance amount 12 students of Mass-Communication Department had not opted for computer paper. Therefore, they were granted exemption from payment of Rs.12,000/-. It was further stated that one student against whom Rs. 8,500/- was outstanding had left the university and the balance amount of Rs.5,735/- was outstanding amount of examination fees against the candidates who had failed in the examinations. Their results had been withheld and several reminders had been issued but no response had been received.

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

6. Para No.6 Page 9 of Audit Report for the year 2001-2002; Non-Refund/Submission of Vouched Accounts of Temporary Loans/Advances Valuing Rs.3,651,123/-

29.07.2006 The Department explained that the para was discussed in the SDAC meeting held on 28,29/3/2003 and was settled.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

7. Para No.7 Pages 9 & 10 of Audit Report for the year 2001-2002; Loss Due to Non-Imposition/Recovery of Penalty on Late Completion of Works Valuing Rs.216,149/-

29.07.2006 The Department explained that the contractor had been granted extension upto 30/6/2006 by the competent authority with 1% penalty of contract amount as per clause No. 39(A) of the contract. The work was still in execution. The Department assured that the recovery would be made till October 2006.

The representative of Finance Department was of the view that the penalty should be enhanced.

The Committee **kept the para pending** with the directions that the recovery be made within 90 days.

8. Para No.8 Page 11 of Audit Report for the year 2001-2002; Loss Due to Theft of Computers and Accessories Amounting to Rs.700,000/-.

29.07.2006 The Department explained that FIR was lodged for the theft and the police had declared the case as un-traceable. The Vice-Chancellor had constituted an Inquiry Committee to assess the loss and the Syndicate after examining the factual position of the case had written off the loss in its meeting held on 5/9/2001.

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

9. Para No.9 Pages 11 & 12 of Audit Report for the year 2001-2002; Irregular and Unauthorized Transfer of Research Grant into Saving Accounts Rs.0.700 (Millions).

29.07.2006 The Department explained that an amount of Rs.5760,967/- was received from the Higher Education Commission since 1991-2001. Out of this an amount of Rs.207,72453/- was given to the teachers for research purpose. At that time the matching grant was not allocated due to financial constraints. However, the matching grant had now been allocated in the financial year i.e. 2005-2006. The applications for the research projects had been invited and the funds had been allocated for completion of the research project.

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

10. Para No.10 Page 13 of Audit Report for the year 2001-2002; Irregular Purchase of Computer Valuing Rs.1,796,208/-.

29.07.2006 The Department explained that the purchases were made by relaxing the rules as per para no. 21 of Purchase Rules of the University. The matter was also discussed in the SDAC on 28,29/3/2003.

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

11. Para No.11 Page 14 of Audit Report for the year 2001-2002; Irregular and Un-Authorized Purchase of Electric Transformer Worth Rs.775,387/-.

29.07.2006 The Department requested that the para may kindly be pended as the relevant file was not available today.

The Committee **kept the para pending** on the request of the Department.

12. Para No.12 Pages 14 & 15 of Audit Report for the year 2001-2002; Irregular and Doubtful Purchase of Tyres Worth Rs.435,988/-.

29.07.2006 The Department explained that in the light of the SDAC decision dated 28,29/3/2003, an inquiry was held and the inquiry Committee reached at the conclusions that all the codal formalities with regard to purchase of tyres had been completed as required under the purchase Rules of the University.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

UNIVERSITY OF ENGINEERING & TECHNOLOGY, LAHORE

Audit Paras (Civil) for the year 2001-2002

1. Para No.1 Page 6 of Audit Report for the year 2001-2002; Overpayment of Orderly Allowance Worth Rs.1,754,800/-.

29.07.2006 The Department explained that the case for regularization of the allowance had been submitted to the Chancellor but still no response had been received from the office of the Chancellor.

The Committee **kept the para pending** with the directions that the payment of Orderly Allowance be stopped forthwith and the matter be got regularized by the Chancellor within 90 days otherwise recovery be effected from the concerned officers.

2. Para No.2 Page 7 of Audit Report for the year 2001-2002; Non-Recovery of Outstanding Utility Charges of Rs.834,193/- from Shopkeepers.

29.07.2006 The Department explained that in the light of the DAC decision dated 3/2/2003, the para was reduced to Rs.36,711/-. Rs.35,639/- had been recovered and balance amount of Rs.1072/- was not recoverable as the workshops were got vacated forcibly from the occupants.

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

3. Para No.3 Pages 7 & 8 of Audit Report for the year 2001-2002; Non-Deduction of Sales Tax and Income Tax Amounting to Rs.136,504/-.

29.07.2006 The Department explained that the matter was discussed in the SDAC on 2/3/2003 and in the light of the decision of the SDAC the Department had written a letter to the Commissioner, Income Tax Lahore and none payment of GST had been approved by the Syndicate.

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

4. Para No.4 Page 8 of Audit Report for the year 2001-2002; Non-Recovery of Outstanding Fee from Various Classes Amounting to Rs.77,432/-.

29.07.2006 The Department explained that the matter was discussed in the SDAC meeting held on 3.2.2003, and the para was reduced to Rs.63,186/-. Out of which Rs.38,934/- had been recovered and security of Rs.11,000/- had been forfeited. For the recovery of the balance amount the case had been referred to the court.

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

5. Para No.5 Pages 9 & 10 of Audit Report for the year 2001-2002; Irregular Expenditure on the Employment of Officials or Daily Wages in Violation of Ban (Amount Not Assessed).

29.07.2006 The Department explained that on the directions of the SDAC, the case was put up before the Syndicate and the Syndicate had accorded approval for reduction of the teacher staff on contract and daily wages basis.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

6. **Para No.6 Page 11 of Audit Report for the year 2001-2002; Stock Entries of Equipment and Furniture at the User's End not Shown to Audit Amounting to Rs.1,319,942/-.**
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29.07.2006 The Department explained that the para was discussed in the SDAC meeting held on 3/2/2003 and was reduced to Rs.57073/- after verification of record. The vouchers to the amount of Rs.57073/- were available and all the stock entries were made before the payment. Record was available for verification.

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

7. **Para No.7 Page 12 of Audit Report for the year 2001-2002; Non-Conducting Physical Verification of Main Library.**
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29.07.2006 The Department explained that a sub-Committee had been constituted to conduct the stock taking of library. The report of sub-Committee was available for verification.

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

BAHAUDDIN ZAKARIYA UNIVERSITY, MULTAN **Audit Paras (Civil) for the year 2001-2002**

1. **Para No.1 Page 6 of Audit Report for the year 2001-2002; Misappropriation of P.O.L. Valuing Rs.197,801/-.**
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29.07.2006 The Department explained that the complete detail of consumption of POL with vehicle No., date, amount and log books page no. had been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

2. **Para No.2 Pages 6 & 7 of Audit Report for the year 2001-2002; Attempt to Defraud by Over writing the Amounts in the Repair Bills of Vehicles Amounting to Rs.64,374/-.**
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29.07.2006 The Department explained that as per decision of the SDAC an inquiry committee was constituted and the Inquiry Committee found that some of the repair bills of the University vehicles were tempered. The said tempering was made by Mr. Muhammad Ali, who had already been terminated due to this fraud.

The Committee **kept the para pending** with the directions that the recovery be made from the responsible person.

3. Para No.3 Page 8 of Audit Report for the year 2001-2002; Overpayment of Orderly Allowance Amounting to Rs.912,000/-.

29.07.2006 The Department explained that the case for regularization of the allowance had been submitted to the Chancellor on 18-1-2005 and 28/3/2006 but still no response had been received from the office of the Chancellor.

The Committee **kept the para pending** with the directions that the payment of Orderly Allowance be stopped forthwith and the matter be got regularized by the Chancellor within 90 days otherwise recovery be made from the responsible person.

4. Para No.4 Page 9 of Audit Report for the year 2001-2002; Recovery of Rs.2,742,406/- on Account of Outstanding Pension/Commutation Share from Foreign Services Employee.

29.07.2006 The Department explained that item No. I, III and IV were settled by the SDAC meeting held on 4,5/4/2003, so far as the item No. II was concerned, the AGPR Islamabad had released the proportionate share of contribution fee to the pension of the expired employee Mr. Masood Ahmad Kahlun, retired Deputy Treasurer.

The Committee **settled the para subject to verification** of contribution fee by audit.

5. Para No.5 Pages 9 & 10 of Audit Report for the year 2001-2002; Loss Due to Non-Recovery of Liquidated Damages Amounting to Rs.1,500,000/-.

29.07.2006 The Department explained that serious action had been taken against those teachers who proceeded abroad and did not join their duty after expiry of their leave and the matter was also discussed in the SDAC meeting held on 4,5/4/2003. In the light of the decision of SDAC, the recovery of liquidated damages was reduced up to Rs. 880,000/-. Efforts were being made to recover the liquidated damages from the defaulting faculty members through the DO(R) as arrears of land revenue.

The Committee reduced **the para to the extent of recovery** and directed that balance amount be recovered as arrears of land revenue.

6. Para No.6 Page 10 of Audit Report for the year 2001-2002; Less Accountal of Furniture Amounting to Rs.138,356/-.

29.07.2006 The Department explained that the supply of furniture by M/s Wood Working Service Center, Gujrat had been completed and the stock entries had been duly entered in the stock register. The record was available for verification.

The para was settled subject to verification of record by audit.

7. **Para No.7 Pages 11 & 12 of Audit Report for the year 2001-2002; Irregular Lease of University Agriculture Land and Outstanding Recovery of Rs.1,190,322/-.**
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29.07.2006 The Department explained that items No. I, II, III, V and VI had been settled by the SDAC in the its meeting held on 4,5/4/2003, so for as item No. IV was concerned the University was a corporate body (Autonomous) contributing huge services in social/educational sector and was exempted from the income tax on its processed land. The Department also stated that so for as Item No. IV was concerned the case in the Court of law was pending.

The Committee settled the item No. I, II, III, V, VI and the Item No. IV **kept pending** with the directions that the case in the court by pursued vigorously.

8. **Para No.8 Page 12 of Audit Report for the year 2001-2002; Loss of Rs.564,219/- Due to Non-Recovery of Lease Money, Income Tax, Electricity Charges and Waiving Off Damages.**
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9. **Para No.10 Pages 13 & 14 of Audit Report for the year 2001-2002; Loss of Rs.1,000,000/- Due to Non-Recovery of Electricity Charges of Tubewell from Lessee and Defective Lease Agreement.**
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10. **Para No.12 Page 16 of Audit Report for the year 2001-2002; Loss Due to Undue Favour to the Lessee Valuing Rs.369,600/-.**
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29.07.2006 Audit contended that the Department had not produced any record to audit for verification but the representative of the Department gave in writing that the same would be produced later on.

The Department explained that the record was available for verification.

The Committee **kept the paras pending** for verification of record by audit.

11. **Para No.9 Page 12 of Audit Report for the year 2001-2002; Loss of Rs.199,251/- on Account of Less/Non-Recovery of Examination/Late/Registration Fee.**
-

29.07.2006 The Department explained that out of total amount of Rs.199,251/-, an amount of Rs.114,923/- had been recovered and got verified by audit. Hectic efforts were being made to recover the balance amount but no response had been received from the defaulting students. However, their result cards/degrees would not be issued until or unless the balance amount was recovered. It was further stated that the majority of the defaulter had to pay only petty amount of Rs.02 or 05 and requested for the settlement of the para.

The Committee accepted the explanation of the Department and **the para was settled subject to verification** of recovery by audit.

- 12. Para No.11 Page 15 of Audit Report for the year 2001-2002; Un-Authorized Payment of Rs.817,638/- on Account of Pensionary Liabilities Without Receipt of Share.**
-

29.07.2006 The Department explained that the pensionary benefit relating to the PCSIR were paid in view of the decision taken by the Syndicate in its meeting held on 26.11.2000.

The Committee **settled the para subject to verification** of contribution fee by the PCSIR.

- 13. Para No.13 Page 17 of Audit Report for the year 2001-2002; Irregular Expenditure Due to Non-Approval of Budget Estimates and Expenditure Statements by Senate Rs.211.07 Millions.**
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29.07.2006 The Department explained that the Senate was not constituted due to some technical and constitutional problems. It was also stated that efforts were being made to constitute Senate and the budget estimate would be got approved/regularized as and when its meeting would be convened after constitution of the Senate.

The Committee **kept the para pending** with the direction that the Senate be constituted at the earliest.

- 14. Para No.14 Pages 17 & 18 of Audit Report for the year 2001-2002; Irregular and Doubtful Expenditure on Repair and Maintenance of University Building Amounting to Rs.78,125/-.**
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29.07.2006 The Department explained that the para was discussed in the SDAC meeting held on 4,5/4/2003 and in the light of the decision, the matter was placed before the Vice-Chancellor who had condoned the irregularity.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 15. Para No.15 Pages 18 & 19 of Audit Report for the year 2001-2002; Irregular Appointments During Ban on Recruitments/Violation of Government Instructions (Amount Not Assessed).**
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29.07.2006 The Department explained that the competent authority had lifted the ban and the recruitments were made strictly in accordance with the University Recruitment Rules.

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

16. Para No.16 Page 20 of Audit Report for the year 2001-2002; Irregular and Doubtful Utilization of Research Grant Amounting to Rs.2,610,000/-.

29.07.2006 The Department explained that the total amount of research grants had been adjusted and record was available for verification.

The para was settled subject to verification of record by audit.

17. Para No.17 Pages 20 & 21 of Audit Report for the year 2001-2002; Non/Refund/Submission of Vouched Account of Temporary Loan/Advances Worth Rs.1,512,969/-.

29.07.2006 The Department explained that the latest position of the adjusted of loans was as under:

a. Temporary Loans/Advances

- i. Rs.3776,757/- had been adjusted
- ii. Vouched Accounts of Rs.569,950/- had been submitted.

b. Research Advances

Rs.1974,000 had been adjusted.

It was also stated that the hectic efforts were being made to recover/adjust the balance amount.

The para was kept pending with the directions that the total loans/advances be recovered/adjusted within 90 days.

18. Para No.18 Pages 21 & 22 of Audit Report for the year 2001-2002; Misuse of Vehicles/Defective Maintenance of Log Books Amounting to Rs.414,660/- and Non-Deposit of Rs.32,044/- on Account of Private Use of Vehicles.

29.07.2006 The Department explained that the log books of vehicles indicating the purpose of journey/entries of log books duly signed by the users of vehicles complete in all respects were available for verification, so far as deduction of ambulance charges was concerned out of Rs.18,963/- an amount of Rs.15,583/- had been recovered.

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

19. Para No.19 Page 22 of Audit Report for the year 2001-2002; Loss Due to Non-Installation of Separate Electricity Meters in Staff Colony and Non-Recovery of Electricity Charges at Commercial Rates (Amount Not Assessed).

29.07.2006 The Department explained that separate meters had been installed in the staff colony and the same nature of para for the year 2000-2001 had been settled by the PAC-I in its meeting held on 4,5/7/2005.

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

- 20. Para No.20 Page 23 of Audit Report for the year 2001-2002; Doubtful Consumption of Stores Items/Defective Maintenance of Issue Accounts Amounting to Rs.888,525/-.**
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29.07.2006 The Department explained that the matter was thoroughly investigated by the Transport Committee and it was found and no irregularity was committed during purchase of tyres. All the relevant record was available for verification.

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

- 21. Para No.21 Pages 23 & 24 of Audit Report for the year 2001-2002; Doubtful Purchase of Laboratory's Equipments Through Letter of Credit**
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29.07.2006 The Department explained that as per directions of the SDAC, the inspection certificate issued by the Chairman of the Department was available for verification.

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

- 22. Para No.22 Pages 24 & 25 of Audit Report for the year 2001-2002; Loss Due to Irregular Execution of Contract for the Construction of Canteen on Self Help Basis Without Ascertaining Cost Thereof (Amount Not Assessed)**
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29.07.2006 The Department explained that in the light of SDAC decision, inquiry had been initiated and the findings of the inquiry were awaited.

The Committee **kept the para pending** with the directions that the inquiry be completed within 90 days under intimated to PAC.

- 23. Para No.23 Page 26 of Audit Report for the year 2001-2002; Heavy Loss Due to Un-Authorized Upgradation of Posts (Amount Not Assessed).**
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29.07.2006 The Department explained that the competent authority i.e. Syndicate in its meeting held on 18/4/1998 and 25/5/1996 up-graded the posts of Teachers and other staff.

The Committee **kept the para pending** for verification of record by audit.

UNIVERSITY OF ENGINEERING & TECHNOLOGY, TAXILA
Audit Paras (Civil) for the year 2001-2002

- 1. Para No.1 Page 6 of Audit Report for the year 2001-2002; Overpayment of Rs.1,619,845/- Due to Grant of Higher Time Scales.**
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2. **Para No.2 Pages 7 & 8 of Audit Report for the year 2001-2002; Overpayment of Conveyance, Qualification, Orderly, Charge, Technical Teaching and Special, Allowances Amounting to Rs.1,789,380/-**
3. **Para No.3 Page 9 of Audit Report for the year 2001-2002; Overpayment of Rs.1,485,210/- on Account of Irregular Payment of House Rent Allowance and Non-Deduction 5% Rent.**

25.01.2007 The Department explained that the cases for regularization had been referred to the Chancellor.

The Committee **kept the paras pending** till the decision of Chancellor.

4. **Para No.4 Page 10 of Audit Report for the year 2001-2002; Loss of Rs.1,197,940/- Due to Recovery of Electricity Charges at lesser Rates and Irregular Auction Cafeteria, PCO and Shops.**

25.01.2007 The Department explained that the para consisted of two parts:-

1- Electricity Charges of residences.

Payment of the Electricity Bills to WAPDA was being made on the basis of reading on the meter for bulk supply. The recovery from the resident employees was made at domestic rate on the basis of units consumed/shown in the independent meters installed for this purpose outside the premises of the residences.

The Committee **settled this part.**

2- Auction of cafeteria/PCO and Shops.

The Department explained that the case for regularization of rate of rent charged by the University and regularization of renting out without open auction was being placed before the Syndicate.

The Committee **kept this part pending** till the decision of the Syndicate.

5. **Para No.5 Pages 10 & 11 of Audit Report for the year 2001-2002; Non-Recovery of Overseas Training Scholarship Amounting to Rs.598,192/- and Excess Expenditure of Rs.4,802,096/- Than Budget Allocation.**

25.01.2007 The Department explained that the para consisted on three parts:-

1- Mr. Seed Iqbal Awan Rs. 194,732/-

The amount of Rs.194,732/- comprised of Rs.12,000/- on account of M.Sc. stipend and Rs.182,732/- on account of payment of leave salary for study

leave for Ph.D degree. Mr. Saeed Awan completed his M.Sc. on 6/12/89. He had to serve the University for at least two years from 6/12/89 to 5/12/91 according to the agreement. He served upto 23/11/90 where after he proceeded on study leave granted to him vide Office Order No. 34 dated 4/8/90 to pursue the higher studies leading to Ph.D. The said Officer was required to deposit proportionate amount of M.Sc. stipend. Before proceeding on higher studies abroad he deposited Rs.6,167/- as proportionate amount. Therefore, the recovery of Rs.12,000/- was not called for. So far as recovery of Rs.182,732/- on account of payment of leave salary for Ph.D degree was concerned that was not recovered due to the reason that he did not return to duty. It was further submitted that legal proceedings against him were under way through the Legal Advisor.

The Committee **kept this part pending** with the directions that action be taken against the responsible who had made the defective agreement and a deterrence clause be included in such agreements in consultation with the Higher Education Commission in future.

2- Mr. Muhammad Nawaz, Rs. 403,460/-

The Department explained that the case of Hafiz Muhammad Nawaz, Associate Professor on account of unauthorized absence and other disciplinary proceedings against him was placed before the Syndicate in its meeting held on 9/7/95. The Syndicate decided to terminate his services w.e.f. 25/2/89 and to recover the amount of guarantee as per rules/as per notification. The guarantor had deposited the amount of guarantee (Rs.50,000/-) which could be verified by audit.

The Committee **kept this part pending** for balance recovery.

3- Excess expenditure Rs. 4802096/-

The Department explained that actually budget of University of Engineering & Technology, Lahore was also included in this expenditure.

The Committee **settled this part subject to verification** by audit.

6. Para No.6 Pages 11 & 12 of Audit Report for the year 2001-2002; Non-Recovery of Guest House Charges Amounting to Rs.292,750/-

25.01.2007 The Department explained that the Syndicate had regularized the amount of Rs.292,750/- recoverable from Dr. Muhammad Sharif Bhatti, ex-VC vide dated 29/9/2006.

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

7. Para No.7 Page 13 of Audit Report for the year 2001-2002; Irregular Expenditure Due to Unauthorized Appointment of project Director Amounting to Rs.104,639/-

25.01.2007 The Department explained that the post of Project Director carrying BS-19 was advertised in the daily "Nation" dated 7/3/99 and the officer applied for the same. He was recommended by the Selection Board for appointment as Project Director after proper scrutiny and interview on the basis of requisite degree in Civil Engineering and experience. The appointing Authority i.e. Syndicate approved his appointment as per University Statutes.

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

8. Para No.8 Pages 14 & 15 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.19,837,710/- Without Approval of Revised PC-I and Overpayment of Rs.1,324,897/- on Account of Premium & Luxurious item.

25.01.2007 The Department explained that the "PC-I of Urgent Needs" was approved for covered area of 12,852 sqft. At the cost of Rs.6,426,000/- for the construction of Administration Block. University authority considering that it should have a proper admin block with necessary accommodation for all its functioning units under one roof decided to construct full flagged admin block with covered area of 25,000 sqft. in two phases. Funds for Phase-I were provided through PC-I. Expenditure of Phase-II was decided to be met from own resources i.e. earnings from Self Supporting Scheme Fund. Syndicate accorded the administrative approval of Rs.16.883 million and also allowed the provision of additional funds. Due to change in quantities as per authorities concerned the cost was further enhanced to Rs.20.568 million for which revised administrative approval was sought from the Syndicate along with funds and also revised technical sanction was given by the competent authority.

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

9. Para No.9 Page 15 of Audit Report for the year 2001-2002; Defective Purchase Procedure Irregular Grant of Advances Valuing Rs.4,048,350/-

25.01.2007 The Department explained that the advances of Rs.4,048,350/- had already been adjusted and got verified by audit.

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

10. Para No.10 Page 16 of Audit Report for the year 2001-2002; Loss to University Due to Less Discount Rate and Irregular Payment of Medical Allowance in Addition to Free Supply of Medicines Total Amount of Rs.407,432/-

26.01.2007 The Department explained that the para consisted of two parts:-

a. Irregular purchase of medicine loss of Rs.125,606/-

The Department explained that the advertisement was made and 7% discount was offered by the lowest bidder. Moreover, the para of similar nature was settled by the PAC on 16/5/05.

The Committee accepted the explanation of the Department and **this part was settled.**

b. Unauthorized & over payment of medical allowance Rs.281,826/-

The Department explained that the para of same nature was discussed by the PAC on 13/2/04 and was settled.

Audit verified the contention of the Department and **this part was settled.**

11. Para No.11 Page 17 of Audit Report for the year 2001-2002; Unauthorized Payment of Eid Honorarium Valuing Rs.169,200/- in Addition to Eid Allowance

26.01.2007 The Department explained that the case for regularization had been submitted to the competent authority.

The para was kept pending till regularization.

12. Para No.12 Page 18 of Audit Report for the year 2001-2002; Irregular appointment of Professors/ Associate Professors Without Possessing prescribed Qualification Rs.9,066,917/-

26.01.2007 The Department explained that the University had framed its own rules/ statutes for appointment of teachers which were approved by the Chancellor on 31.3.2006 till then the old statutes of University of Engineering & Technology, Lahore was being followed by University of Engineering & Technology, Taxila.

The Committee **settled the para subject to** approval of statutes by Chancellor of 1989.

13. Para No.13 Page 19 of Audit Report for the year 2001-2002; Un-Necessary Retention of Public Money Worth Rs.6.809/- Millions and Irregular Expenditure

26.01.2007 The Department explained that with the enrollment of sufficient number of students and formulation of respective Research Committee, the utilization of research

fund had been started strictly in accordance with higher education commission's and university's rules/regularizations. The professor was assigned only the additional work of the post of Director of Advanced Studies Research & Technological Development on temporary basis.

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

14. Para No.14 Pages 19 & 20 of Audit Report for the year 2001-2002; Un-Economical Expenditure Without Observing Codal Formalities Amounting to Rs.2,500,573/-

26.01.2007 The Department explained that the contract was awarded to the lowest bidder from the registered contractor of the university in relaxation of conditions of open advertisement which was granted by the Vice Chancellor and approved by the Syndicate. It was further stated that the Vice Chancellor had used his emergency power under section 13(3) of the Act in cases of emergent nature and within the frame work of University Act.

The Committee was of the view that the Vice Chancellor had exercised his emergency powers excessively for almost in routine matters and **kept the para pending** with the directions that inquiry be initiated in this case and responsibility be fixed, disciplinary action be taken for not inviting open tenders through press.

15. Para No.15 Pages 20 & 21 of Audit Report for the year 2001-2002; Irregular and Un-Authorized Expenditure of Rs.1,213,177/- in Computer Engineering Department Recovery of Rs.1,200,000/-

26.01.2007 The Department explained that the university had proceeded according to PC-I but due to none availability of more academic buildings, the computer engineering classes had to be started in the evening in electrical engineering department block.

Audit contended that four disciplines were approved to be taught in the centre but only evening classes were started by appointing the teachers of University of Education & Technology as visiting faculty at higher rates.

The Committee **kept the para pending** with the directions that the Administrative Department would inquire into the matter and fix the responsibility within 90 days under intimation to PAC.

16. Para No.16 Page 21 of Audit Report for the year 2001-2002; Loss to University Due to Undue Favour of Consultant Amounting to Rs.229,450/-

26.01.2007 The Department explained that the payment to the consultant for the services rendered “excluding top supervision” by them would be made @2% of the total cost of the project. The rate for payment of top supervision was again fixed at 1.2% of the total cost of the project through revised/additional agreement.

Audit contended that the agreement was made on 4/11/1998 @2% of total cost plus 5 free visits of top supervision. The agreement was later on revised on 10/4/2000 from 2% to 3% merely to favour the consultant.

The Committee **kept the para pending** with the directions that the difference of enhancement of agreement i.e. 1.2% be recovered from the responsible.

17. Para No.17 Page 22 of Audit Report for the year 2001-2002; Irregular Payment of Testing Fee to Staff Valuing Rs.3,140,212/- and Activities Like Commercial Undertaking.

26.01.2007 The Department explained that the similar nature of para for the audit report 1999-2000 was settled by the PAC in its meeting held on 16.5.2005.

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

18. Para No.18 Page 23 of Audit Report for the year 2001-2002; Loss to University Due to Non-Retrieval of Library Books Costing Rs.203,785/-

26.01.2007 The Department explained that certificate regarding recovery of fine and a list showing the fine collected from the concerned students during 2000-2001 along with the list showing dates of return of books were available for verification.

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

GOVERNMENT COLLEGE UNIVERSITY, LAHORE

1. Para No.1 Page 6 of Audit Report for the year 2001-2002; Irregular Payment of Sales Tax Amounting to Rs.262,431/- Without Sales Tax Invoices.

25.01.2007 The Department explained that the Collector of the Sales Tax had been informed about the payment made to the suppliers for necessary action at their end.

The Committee **settled the para** with the directions that in future sales tax invoices be retained.

2. Para No.2 Page 7 of Audit Report for the year 2001-2002; Overpayment of Rs.533,263/- Due to Irregular Award of Regular Pay Scales to Employee Appointed on Fixed Emoluments.

25.01.2007 The Department explained that the matter of additional allowance was placed before the Finance and Planning Committee which considered the issue of pay fixation and recommended the syndicate for regularization. The Syndicate in its meeting held on 25.3.2003 approved the recommendations of Finance & Planning Committee and regularized fixation of pay of the employees.

However, the Committee was of the view that the contract employees were not eligible for regular scale during the pendency of the contract period. Moreover, the Syndicate was not competent to approved the terms and conditions of pay and allowance of the contract employees.

The Committee **kept the para pending** with the directions that the amount be recovered from the concerned Vice-Chancellor.

3. Para No.3 Page 8 of Audit Report for the year 2001-2002; Irregular Auction of Contract of Canteen and Cafeteria Without Wide Publicity and Non Charging of 10% Annual Increase in Lease Rate Amounting to Rs.37,968/-

25.01.2007 The Department explained that it was not considered advise-able to involve canteen contractor through open tender and the management of the college canteen/cafeteria was entrusted to College Cafeteria Committee which extended the contract of M/s. Mohsin Brothers for four years upto 31.8.2000. Annual increase in the cost of the contract and recovery of water charges could not be made as there was no such clause in the contract agreement.

The Committee **kept the para pending** with the directions that inquiry be made and action be taken against the responsible who had given the contract of canteen & cafeteria without open tender and none charging of 10% annual increase.

4. Para No.4 Page 10 of Audit Report for the year 2001-2002; Irregular Purchase of Durable Goods and Furniture & Fixture Without Sanction of Finance Department Valuing to Rs.4,257,225/-

25.01.2007 The Department explained that the expenditure had been got regularized from the Chief Minister Punjab vide letter dated 7/9/2006.

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

5. **Para No.5 Pages 10 & 11 of Audit Report for the year 2001-2002; Irregular Payment of Honorarium Amounting to Rs.1,673,630/- Without Sanction of Competent Authority.**
-

25.01.2007 The Department explained that in fact the payments made were remuneration for teaching the classes after college hours in self supporting programmes of computer sciences and M.Phil courses. Moreover, the para of similar nature had been settled by the PAC-I in its meeting held on 6.7.2005.

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

6. **Para No.6 Page 11 of Audit Report for the year 2001-2002; Un-Authorized Deposit of Departmental Income into Hostel Accounts Instead of Main Account Amounting to Rs.2,641,800/-**
-

25.01.2007 The Department explained that the room rent and lease money of canteen had been withdrawn from hostel account and deposited into the University main account No. 4450.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

7. **Para No.7 Page 12 of Audit Report for the year 2001-2002; Irregular Appropriation of Departmental Income Towards Departmental Charges to the Tune of Rs.709,288/-**
-

25.01.2007 The Department explained that restriction of appropriation of departmental income towards departmental expenditure was applicable to the government departments and not to autonomous bodies, who meet its expenses out of its own income/resources.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

8. **Para No.8 Page13 of Audit Report for the year 2001-2002; Un-Economical Purchase Without Observing Codal Formalities Amounting to Rs.2,053,106/-**
-

25.01.2007 The Department explained that the budget allocations were made to different department of the college for purchases according to their requirements. Purchases upto Rs.150,000/- were made through quotations and purchases exceeding Rs.150,000/- were made through open tenders on different dates as per requirements. Moreover, the Principal was fully competent to make all purchases provided in the budget. It was also

stated that the matter was placed before the Syndicate in its meeting held on 25.3.2003 which regularized the expenditure.

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

9. Para No.9 Page 14 of Audit Report for the year 2001-2002; Undue Retention of Money into Parking Fund Instead of Depositing into Main Account Valuing Rs.1,710,965/-

25.01.2007 The Department explained that the balance amount in parking funds accounts had been withdrawn and refunded into the main account of the university.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

10. Para No.10 Pages 14 & 15 of Audit Report for the year 2001-2002; Loss to Colleges Due to Over Charging the Cost of Equipments Costing Rs.58,435/-

25.01.2007 The Department explained that the amount of Rs.58,435/- was paid to the supplier as difference of the cost of supplies on FOR Government College University Lahore basis and C&F Lahore Airport basis. Therefore, the detail of payment of custom duty and other clearance charges could not be demanded from the supplier.

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

(COLLEGES)

Audit Paras (Civil) for the year 2001-2002

1. Para No.1 Page 10 of Audit Report for the year 2001-2002; Theft of Public Money Rs.140,260/- By Cashier Instead of Depositing into Bank Account.

27.01.2007 The Department explained that the case of theft had already been registered against the then cashier Mr. Abdur Rehman and case was pending adjudication in the Anti-Corruption Court. It was also stated that the concerned cashier had been died.

The committee **kept the para pending** being subjudice in the court of law.

2. **Para No.2.2 Page 11 of Audit Report for the year 2001-2002; Recovery on Account of Conveyance Allowance/Motor Car Maintenance Allowance Worth Rs.522,161/-.**
-

Government Science College, Wahdat Road, Lahore-Rs.42,693/-.

3. **Para No.3 Page 12 of Audit Report for the year 2001-2002; Overpayment of (Rs.278,305 + Rs.592,835) = Rs.314,530/- on Payment of Conveyance Allowance During Vacation / Leave.**
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(3.1) Government College (W), Baghbanpura, Lahore-Rs.25,471/-.

(3.2) Government Islamia College Lahore Cantt-Rs.52,242/-.

4. **Para No.6.2 Page 15 of Audit Report for the year 2001-2002; Non-Deposit of Government Receipt Into Govt. Treasury Rs.444,512/-.**
-

Government Model Degree College (B) Model Town Lahore-Rs.177,801/-.

5. **Para No.5.4 Page 14 of Audit Report for the year 2001-2002; Non-Accountal of Store/Stock Articles Worth Rs.958,344/- by Less/Non-Accountal.**
-

Government Degree College for Boys Dera Ghazi Khan-Rs.246,745/-.

6. **Para No.7 Pages 15 & 16 of Audit Report for the year 2001-2002; Unauthorized Use of Government Vehicle Recovery of Rs.238,389/-.**
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7. **Para No.11.5 Page 18 of Audit Report for the year 2001-2002; Loss Caused to Government to the Tune of Rs.1,671,841/- Due to Non/Less Realization of Tuition .Fee and Non Deposit into Government Treasury.**
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Government College for boys Layyah.-Rs.22,680/-

8. **Para No.12.3 Page 19 of Audit Report for the year 2001-2002; Irregular Drawal of Conveyance Allowance & Less Deduction of House Rent @ 5% - Recovery of (Rs.241,710 + 108,262) = Rs.349,972/-**
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Government Khawaja Fareed College ,Rahim Yar Khan-Rs.40,199/-

9. **Para No.18 Page 23 of Audit Report for the year 2001-2002; Non Recovery of Rent and Utilities Charges from Canteen Contractor of Rs.76,000/-**
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10. Para No.32.3 Pages 33 & 34 of Audit Report for the year 2001-2002; Irregular Expenditure on purchase of Furniture Valuing Rs.2,341,064/-.

Government Degree College (B) D. G. Khan-Rs.1,963,060/-.

11. Para No.42.3 Page 41 of Audit Report for the year 2001-2002; Unauthorized Drawal of Pay and Allowances Rs.1,088,635/- During Absent and Leave Periods.

Government Hashmi Memorial College of Commerce, Lahore-Rs.55,481/-.

12. Para No.43 Pages 41 & 42 of Audit Report for the year 2001-2002; Unjustified Purchases of Furniture and Science Material Amounting to Rs.1,052,616/-

13. Para No.46.5 Page 44 of Audit Report for the year 2001-2002; Loss to Govt. Exchequer for Rs.776,288/- Due to Non-Allotment of Govt. Residences and Irregular Payment of House Rent Allowance.

Government College (W) Sadiqabad District Rahim Yar Khan Rs.18,726/-

14. Para No.59.1 Page 54 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.354,344/-

Government Degree College (B) D G Khan 1999-2001-Rs.58,369/-.

15. Para No.61.1 Pages 55 & 56 of Audit Report for the year 2001-2002; Irregular Drawl of Matching Grants Rs.345,270/-

Government College (W) Kaluta Rs.80,000/-

16. Para No.108.3 Page 92 of Audit Report for the year 2001-2002; Non-Production of Vouched Account Against An Amount of Rs.567,413/-.

Government Hashmi Memorial College of Commerce Lahore-Rs.328,552/-.

17. Para No.113.7 Pages 95 & 96 of Audit Report for the year 2001-2002; Non-Production of Record Involving Rs.25,570,072/-.

Government College (W) Gujar Khan Rawalpindi-Rs.45,000/-.

31.07.2006 The Department explained that the Audit observations had been properly addressed in the above mentioned paras and got verified by audit.

Audit recommended the paras for settlement.

The para were settled.

- 18. Para No.2 Page 11 of Audit Report for the year 2001-2002; Recovery on Account of Conveyance Allowance/ Motor Car Maintenance Allowance Worth Rs.522,161/-**
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(2.3) Government Queen Marry College, Lahore Rs.177,259/-

25.01.2007 The Department explained that Rs.177,259/- had been recovered and deposited into the PLA.

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

(2.4) Government Science College, Wahdat Road, Lahore – Rs.233,517/-

27.01.2007 The Department explained that Rs.85,257/- had been recovered and got verified by audit.

The para was reduced to the extent of recovery and kept pending for balance recovery at the earliest.

- 19. Para No.3 Page 12 of Audit Report for the Year 2001-02; Overpayment of (Rs.278,305 + Rs.592,835) = Rs.314,530/- on Payment of Conveyance Allowance During Vacation/Leave**
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(3.3) Govt. College, Ravi Road, Lahore Rs. 111,982/-

30.05.2007 The Department explained that out of total amount of Rs.111982/- a sum of Rs.36398/- had been recovered and got verified by audit. An amount of Rs.28786/- was not due as the same was pertained to the staff members who actually worked on official duty during summer vacation/leave period. Moreover, Rs.4107/- related to a person who had died. The Department also assured that the balance amount of Rs.30544/- would be recovered within a week.

The Committee **kept the para pending** for balance recovery.

- 20. Para No.3 Page 12 of Audit Report for the Year 2001-02; Overpayment of (Rs.278,305 + Rs.592,835) = Rs.314,530/- on Payment of Conveyance Allowance During Vacation/Leave**
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(3.4)Govt. Girls College, Shadbagh, Lahore Rs. 24,117/-

(3.7)Govt. College (W), Gulberg, Lahore Rs. 77,764/-

(3.8)Govt. APWA College for Women, Lahore Rs. 71,179/-

21. **Para No.5.2(a) Page 14 of Audit Report for the Year 2001-02; Non-Accountal of Store/Stock Articles Worth Rs.958,344/- by Less/Non-Accountal**

Govt. Islamia College, Kasur Rs. 10,000/-
22. **Para No.6.1 Page 15 of Audit Report for the Year 2001-02; Non-Deposit of Govt. Receipt into Govt. Treasury Rs.444,512/-**

Govt. College (W), Samanabad, Lahore Rs. 236,711/-
23. **Para No.11.3 Page 18 of Audit Report for the Year 2001-02; Loss caused to Government to the Tune of Rs. 1,671,841/- due to Non/Less Realization of Tuition Fee & Non-Deposit into Government Treasury**

Govt. College, Bosan Road, Multan Rs. 42,576/-
24. **Para No.12.4 Page 19 of Audit Report for the Year 2001-02; Irregular Drawal of Conveyance Allowance & Less Deduction of House Rent @5% - Recovery of (Rs.241,710 + Rs.108,262) = Rs.349,972/-**

Govt. Murray College, Sialkot Rs. 56,833/-
25. **Para No.16.3 Pages 21 & 22 of Audit Report for the Year 2001-02; Non-Recovery of Income Tax at Source and Recovery of Auction Price Rs.87,810/-**

Govt. Islamia College, Cooper Road, Lahore Rs. 22,305/-
26. **Para No.19 Page 23 of Audit Report for the Year 2001-02; Non-Return of Library Books Valuing Rs.66,501/-**

(19.1) Govt. Girls Inter-College, Shahpur Sadar, District Sargodha Rs.30,745/-
(19.2) Govt. Degree College, Lodhran Rs. 35,756/-
27. **Para No.21 Pages 24 & 25 of Audit Report for the Year 2001-02; Less Recovery of Rs. 512,919/- on Account of College Share from Computer Centre**
28. **Para No.25 Page 28 of Audit Report for the Year 2001-02; Non-refundable GP Fund Drawal of Rs. 487,500/- not Entered in Master Pay Roll**
29. **Para No.26 Pages 28 & 29 of Audit Report for the Year 2001-02; Illegal Occupation of College Land by the Outsiders Loss of Assets Worth Rs.2,580,000/-**

30. **Para No.39 Pages 38 & 39 of Audit Report for the Year 2001-02; Irregular Drawal from Government Treasury and its Deposit into Commercial Bank Rs.1,248,785/-**
(39.1) Govt. Degree College, Sadiqabad District R.Y. Khan Rs. 60,000/-
(39.3) Govt. Inter-College, Rangpur District Muzaffar Garh Rs. 10,000/-
31. **Para No.40.1 Pages 39 & 40 of Audit Report for the Year 2001-02; Irregular Payment of Rs.1,128,932/- Due to Irregular Appointment Recovery Thereof**
Govt. Degree College, Shujabad, Multan Rs. 247,945/-
32. **Para No.44.1 Pages 42 & 43 of Audit Report for the Year 2001-02; Irregular Expenditure of Rs. 929,794/- on Repair and Maintenance of Building**
Govt. Degree College, Raiwand, Lahore Rs. 200,000/-
33. **Para No.59.3 Page 54 of Audit Report for the Year 2001-02; Irregular Expenditure of Rs.354,344/-**
Govt.Degree College (B), DG Khan Rs. 211,356/-
34. **Para No.61 Pages 55 & 56 of Audit Report for the Year 2001-02; Irregular Drawal of Matching Grant Rs.345,270/-**
(61.3) Govt. College (Boys), Rajanpur Rs. 20,000/-
35. **Para No.66 Page 59 & 60 of Audit Report for the Year 2001-02; Irregular Drawal of Rs. 300,000/- from Govt. Treasury and Deposit into Private Banks**
(66.3) Govt. Degree College, Jatoi Distt. Muzaffar Garh Rs. 10,000/-
36. **Para No.73.1 Page 64 of Audit Report for the Year 2001-02; Purchases without Specification Amounting to Rs.220,660/-**
Govt. College, Samanabad, Faisalabad Rs. 28,000/-
37. **Para No.74 Page 65 of Audit Report for the Year 2001-02; Infructuous Expenditure of Rs.218,636/- on Purchase of Science Material**
(74.3) Govt. Girls Degree College for Women, Choti Zareen Rs. 78,750/-
38. **Para No.78 Page 68 of Audit Report for the Year 2001-02; Irregular Expenditure on Purchase of Sports Material Worth Rs.149,984/-**

39. **Para No.82 Page 71 of Audit Report for the Year 2001-02; Irregular Expenditure on Repair/Replacement of Gas Pipe Lines Rs.111,794/-**
40. **Para No.93 Pages 79 & 80 of Audit Report for the Year 2001-02; Irregular Expenditure of Rs. 63,330/- out of Welfare Fund**
41. **Para No.100 Page 84 & 85 of Audit Report for the Year 2001-02; Irregular Payment of Utility Charges Amounting to Rs. 79,486/-**
42. **Para No.120.2 Page 100 & 101 of Audit Report for the Year 2001-02; Non-Adjustment of Loans Drawn out of Students' Funds Rs.232,524/-**
Govt. Jinnah Islamia College, Sialkot Rs. 49,838/-
43. **Para No.126 Page 103 & 104 of Audit Report for the Year 2001-02; Non-Adjustment of Advances Amounting to Rs.319,724/-**
44. **Para No.127 Page 104 of Audit Report for the Year 2001-02; Discrepancies in Schedule of Payment and Cash Book Amounting to Rs.198,518/-**

30.05.2007 The Department explained that the observation of audit in the above mentioned paras had been properly addressed and record had also been got verified by audit.

On the recommendation of audit, **the paras were settled.**

45. **Para No.3.5 Page 12 of Audit Report for the Year 2001-02; Overpayment of (Rs.278,305 + Rs.592,835) = Rs.314,530/- on Payment of Conveyance Allowance During Vacation/Leave**

Government Murray College Sialkot-Rs.100,718/-.

31.07.2006 Audit had pointed out that conveyance allowance was paid to the teaching staff during vacation/leave for which they were not entitled.

The department explained that the conveyance allowance was paid only to the teaching staff whose attendance was properly notified during the vacation and thus, the staff was justified to get the conveyance allowance.

The Committee **kept the para pending** for verification of the departmental contention by Audit.

46. **Para No.4 Page 13 of Audit Report for the year 2001-2002; Overpayment of Rs.168,483/- Due to OverDrawal of Pay and Allowances.**
47. **Para No.11.7 Page 18 of Audit Report for the year 2001-2002; Loss Caused to Government to the Tune of Rs.1,671,841/- Due to Non/ Less Realization of Tuition Fee and Non Deposit into Government Treasury.**

Government Gorden College Rawalpindi - Rs.62,515 /-

48. Para No.12.5 Page 19 of Audit Report for the year 2001-2002; Irregular Drawal of Conveyance Allowance & Less Deduction of House Rent @ 5% - Recovery of (Rs.241,710/- + 108,262/-) = 349,972/-
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Government College Ravi Road Shahdara, Lahore - Rs.51,429/-

49. Para No.14.2 Pages 20 & 21 of Audit Report for the year 2001-2002; Non-Return of Library Books Valuing Rs.188,056/-
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Government Degree College Jatoi District Muzaffar Garh - Rs.27,064 /-

50. Para No.39 Pages 38 & 39 of Audit Report for the year 2001-2002; Irregular Drawals From Government Treasury and Its Deposit into Commercial Bank Rs.1,248,785/-
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(39.4) Government T.T. Degree College Khan Pur District Rahim Yar Khan – Rs.140,000/-

(39.7) Government College (W) Rahim Yar Khan - Rs.50,000/-

51. Para No.59.2 Pages 54 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.354,344/-
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Government Degree College (B) D.G. Khan Rs.84,619/-

52. Para No.62.2 Pages 56 & 57 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.344,112/- on Repair of Transport.
-

Government College for Women Babi Mohal Bahawalpur – Rs.269,045/-

53. Para No.66 Pages 59 & 60 of Audit Report for the year 2001-2002; Irregular Drawal of Rs.300,000 From government Treasury and Deposit into Private Banks.
-

(66.3) Government Degree College Jatoi District Muzaffar Garh Rs.10,000/-

(66.5) Government College (Boys) Bhakkar Rs.100,000/-

54. Para No.80 Page 69 of Audit Report for the year 2001-2002; Unauthorized & Split Up Purchases of Store Articles Worth Rs.139,353/-
-

(80.1) Government College, Ravi Road, Shahdara, Lahore amounting to Rs.71,045/ 24

(80.2) Government College, Ravi Road, Shahdara, Lahore amounting to Rs.68,308/-

55. **Para No.95 Page 81 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.57,947/- Incurred on Repair of Staff Room From Students Fund**
-
56. **Para No.110.2 Page 93 of Audit Report for the year 2001-2002; Non-Production of Consumption Record of Stock Articles Valuing Rs.148,411/-**
-
- Government Inter College (W) Raiwind Lahore Rs.94,381/-**
57. **Para No.112 Pages 94 & 95 of Audit Report for the year 2001-2002; Record in Support of Expenditure of Rs.81,686/- Not Produced Which Was Drawn Out of Students Fund.**
-
58. **Para No.116 Pages 97 & 98 of Audit Report for the year 2001-2002; Non-Production of Paid Vouchers of Electricity Bills Recovery of Rs.99,219/-**
-

27.01.2007 The Department explained that the audit observation of these paras had already been properly addressed and record had been got verified by audit.

On the recommendation of audit, **these paras were settled.**

59. **Para No.5 Page 14 of Audit Report for the year 2001-2002; Non-Accountal of Store/Stock Articles Worth Rs.958,344/- by Less/Non-Accountal.**
-

(5.1) Government M.C. College Shahkot, District Sheikhpura-Rs.156,116/-.

31.07.2006 The Department explained that there was no misappropriation and entries of all the articles existed in the relevant stock registers. Record was available for verification.

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

(5.2) (b) Government College Bosan Road Multan-Rs.1,475/-.

31.07.2006 The Department explained that the audit had conducted the physical verification of the stock, when the college was closed for summer vacations. Articles worth Rs.1,475/- could not be shown to audit as the concerned laboratory staff was not available in the college. However, an amount of Rs.1,475/- had been deposited into the government treasury vide Challan No. 32 dated 17/5/2006.

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

(5.6) Kinniard College for Women Lahore – Rs.48,187/-

26.1.2007 The Department explained that the accountal of POL had been got verified by audit.

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

60. Para No.8 Page 16 of Audit Report for the year 2001-2002; Non-Deposit Into Treasury Amount of Rs.170,400/- Collected from Students of Computer Classes

31.07.2006 The Committee observed that matter had not been explained adequately in the working papers. The Committee therefore deferred the consideration of subject para to 18.08.2006 with the directions that all the officers concerned with the para should be present in the next meeting.

The para was kept pending.

18.08.2006 As per directions of PAC-II given in its meeting held on 31-7-2006, the Managing Director M/s Pakistan Education Network (PEN) attended the meeting and stated that detail of audit observation was not communicated to him, therefore, he could not bring forward the facts of the case adequately. He added that his firm had recently made several requests to the Education Department to provide the requisite record regarding the said audit observation.

The Department explained that on receipt of request of the firm for provision of record, approval of competent authority had been sought. However, the same could not be provided due to shortage of time.

On request of the firm, the Committee directed that Education Department should provide the following record to them:-

1. a copy of agreement.
2. name of the representative of the firm who had been contacted by the college authorities.
2. copies of college correspondence made to the firm regarding the audit observation.
3. details of audit observations.
4. details of ICS students fee/revenue collected by the college with the list of students.

The Committee further directed that the firm should also provide the requisite record to the Education, Department and the Administrative Department in cooperation with the firm should submit a joint working paper containing all the facts of the case within one month for further consideration. Moreover, the then Principal of Government Degree College, Peoples Colony, Gujranwala (namely Mr. Mumtaz Ahmed Awan, presently working as Controller of BISE, Gujranwala) should also attend the next meeting of PAC as and when fixed by the Chairman.

The para was kept pending.

- 61. Para No.9 Page 17 of Audit Report for the year 2001-2002; Recovery of Rs,115,719/- on Accounts of Non Accountal of Goods.**
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25.01.2007 The Department explained that all the goods were entered in the stock register and their entries were available in the stock register.

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

- 62. Para No.10 Page 17 of Audit Report for the Year 2001-02; Less Collection of Tuition Fee Rs.104,100/- from the Students Causing Loss to the Government to that Extent**
-

30.05.2007 The Department explained that the calculation of the audit regarding less realization of Tuition Fee was not correct, the actual amount was Rs.47720/- instead of Rs.104100/-. The amount of Rs.47720/- had already been deposited.

The Committee **settled the para subject to verification** of reduction within four months.

- 63. Para No.11 Page 18 of Audit Report for the Year 2001-02; Loss Caused to Government to the Tune of Rs.1,671,841/- Due to Non/Less Realization of Tuition Fee and Non-Deposit into Government Treasury**
-

(11.2) Govt. Degree College, Shujabad, Multan Rs. 60,833/-

30.05.2007 The Department explained that the factual position was that an amount of Rs.46324/- was not actually collected from the students as they had been struck off from college Roll, due to non-payment of college dues. There was no mis-appropriation of any amount as the said amount had not actually been collected from the students.

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

(11.6) Queen Marry College, Lahore Rs.362,490/-

25.01.2007 The Department explained that academic session was started w.e.f. 1st April and ended 31st March, whereas Audit had calculated the amount of realization for the financial year. The audit had calculated the enrollment of 3,327 students where as the total number of students were 2722.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(11.8) Government College of Commerce Sargodha-Rs.924,392/-.

31.07.2006 The department explained that para comprised of two advance paras.

Para 1 The Department explained that the course of DBA was started under self-finance basis, therefore the dues receipts of DBA class had been deposited into a separate bank account in stead of government treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

Para 2 The Department explained that the classes of B.com were started from Academic Session 2000-2001 and the tuition fee for the said course was received @Rs.32/- per month from the C.com/D.com students as the fee structure was not communicated to the institution by the Department.

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

64. Para No.12.2 Page 19 of Audit Report for the year 2001-2002; Irregular Drawal of Conveyance Allowance & Less Deduction of House Rent @ 5% - Recovery of (Rs.241,710/- + 108,262/-) = 349,972/-

Government College of Science, Lahore - Rs.168,643/-

27.01.2007 The Department explained that the para consisted of three parts:-

1- Dr. Shaukat Ali, ex-Principal

The Department explained that the entire amount had been recovered and got verified by audit.

On the recommendation of audit, **this part was settled.**

2- Mr. Painsa A. Malik

The Department explained that the total recovery had been effected.

The Committee **settled this part.**

3- Hamid Masood Butt

The Department explained that the said officer was not drawing house rent & conveyance allowance and was paying regularly 5% of house rent.

The Committee **settled this part subject to verification** of record by audit.

- 65. Para No.13 Pages 19 & 20 of Audit Report for the year 2001-2002; Non-Deposit of Govt. Share (Rs.216,000/- Minimum) into Govt. Treasury on Account of Earning of Computer Center.**
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31.07.2006 The Department explained that as per letter No. SO(A-I)2=-1/85-97 (Comp) Government of the Punjab, Higher Education Department dated 6th August 2001 share of the college was not to be deposited into the government treasury, it can be used:-

1. for providing scholarship to needy students
2. for repair of college buildings

In view of the above notification 25% share of the college had not been deposited into government treasury.

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

- 66. Para No.14.1 Pages 20 & 21 of Audit Report for the year 2001-2002; Non-Return of Library Books Valuing Rs.188,056/- .**
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Government Degree College, Dunia Pur District Lodhran Rs.160,992/-

31.07.2006 The Department explained that all the books had been received back from the concerned students and teaching staff and were available in the library. The Librarian had also submitted a report in writing that all the books were present in the library.

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

- 67. Para No.15 Page 21 of Audit Report for the year 2001-2002; Non-Deduction of Income Tax Rs.105,906/- at Source.**
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25.01.2007 The Department explained that the amount of income tax to the tune of Rs.105,906/- had been deposited into the NBP WAPDA House Lahore vide Challan No. 3 dated 2.12.2006.

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

- 68. Para No.16 Pages 21 & 22 of Audit Report for the year 2001-2002; Non-Recovery of Income Tax at Source and Recovery of Auction Price Rs.87,810/-**
-

(16.1) Government College Bosan Road Multan-Rs.43,905/- (including Rs.30,500/- balance of contract amount).

31.07.2006 The Department explained that the canteen was auctioned for Rs.45,000/- for three years and the contractor had deposited bid money amounting to Rs.15,000/- for the first year as first installment which had been deposited into government treasury. It was further stated that the contractor had not run the canteen for a single day. No other

contractor had agreed to run the canteen. The report of the Canteen Committee was available for verification.

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

(16.2) Lahore College for (W) Lahore Rs.21,600/-.

31.07.2006 The Department explained that the total amount as pointed out by audit had been recovered from the canteen contractor and deposited into the government treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

69. Para No.17 Page 22 of Audit Report for the year 2001-2002; Less Realization of Tuition .Fee/Amounting to Rs.77,260/- Due to Allowing Concession Fee in Excess of Prescribed Limit.

31.07.2006 The Department explained that 10% concession on total enrolment of students was allowed in accordance with Govt. Notification dated 06-08-1995. It was further stated that the sister/brother concession was in addition 10% of the fee concession granted. Similarly, teacher's son/daughter concession was also in addition to 10% of the fee concession granted. These two concessions had no limit.

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

70. Para No.20 Page 24 of Audit Report for the year 2001-2002; Less Realization of Computer Centre Share Recovery of Rs.52,142/-

25.01.2007 The Department explained that the total recovery had been effected and got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

71. Para No.27 Page 29 of Audit Report for the year 2001-2002; Loss To Government of Rs.1,094,900/- Due to Non-Realization of Canteen/ Shops Rent and Utilization Charges and Non-Execution of Contractors by Open Tender Enquiry.

25.01.2007 The Department explained that the case was subjudice in the court of law.

The Committee **kept the para pending** with the direction that the case be pursued vigorously.

72. Para No.28 Page 30 of Audit Report for the year 2001-2002; Loss to Government Exchequer of Rs.927,000/- Due to Non-Leasing of College Canteen.

31.07.2006 The Department explained that the college was a female institution as such the contract of canteen was not given through advertisement to avoid the participation of undesirable and unknown parties. The college had given only a piece of land where upon the construction of the canteen had been executed by the contractor and Rs.72,000/- per annum as rent of the land was being collected by the college from the contractor.

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

73. Para No.29 Pages 30 & 31 of Audit Report for the year 2001-2002; Loss of Revenue to the Tune of Rs.60,000/- Due to Non-Auction of Cycle Stand.

31.07.2006 The Department explained that total amount had been recovered and deposited into the government treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled

74. Para No. 30 Page 32 of Audit Report for the Year 2001-2002; Unauthorized Investment of Rs.27,300,000/- in Askari Commercial Bank.

26.01.2007 The Department explained that the investment made had already been matured three years ago. Tuition Fee was a college generated fund and the Principal was competent to invest any money belonging to the college.

The Committee **settled the para** with the directions that Finance Department directions in this regard be followed in future.

75. Para No.31 Pages 32 & 33 of Audit Report for the Year 2001-02; Irregular and Unauthorized Expenditure of Rs.2,500,000/-

30.05.2007 The Department explained that a sum of Rs.2500000/- was sanctioned by government for purchase of Bus for the College vide government letter No. SO(A-I)SA-8-6/80-92-IV dated 20.9.1999. Subsequently, the Bus was purchased by Purchase Cell, Government of the Punjab, Higher Education Department. Moreover, the audit copy was also signed by the Finance Department.

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

76. Para No.32 Pages 33 & 34 of Audit Report for the year 2001-2002; Irregular Expenditure on Purchase of Furniture Valuing Rs.2,341,064/-

(32.1) Government Degree College Dunyapur, Rs.99,799/-

31.07.2006 The Department explained that the furniture costing Rs.99,779/- was purchased out of government development grant during the year. As the grant was released after lapse of so many years, it was utilized keeping in view the requirement of the college and all the purchases were made after getting the approval of the Purchase Committee/Observing all procedural formalities. It was also stated that there was no ban on the development grant and the Purchase Manual Instructions were not applicable on the furniture of class rooms of the college.

The Committee accepted the explanation of the department and **the para was settled.**

(32.4) Govt. Girls Inter-College, Dunyapur Rs. 99,999/-

30.05.2007 The Department explained that the grant provided by the government was utilized due to urgent need of the students, the purchases were made by the Purchase Committee.

Audit contended that the purchases were made by the Category-III officer, who was not competent in this behalf.

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

77. Para No.33 Page 34 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.2,191,258/- on Purchase of Durable Goods.

31.07.2006 The Department explained that the college being an educational institution had to purchase scientific apparatus/science equipments and computers for different laboratories/labs to teach the students. It was also stated that the college was declared as autonomous body/under the management of Board of Governors. The BOG had delegated the financial power to the Principal of the College under the Act 1999. All the purchases were made after observing all the codal formalities.

The representative of FD reiterated that the Finance Department had imposed ban on the purchase of durable goods during the year and the department had to regularize the purchases from the Finance Department.

The Committee **kept the para pending** for regularization from the Finance Department.

78. Para No.35 Pages 35 & 36 of Audit Report for the year 2001-2002; Un-Authorized Expenditure of Rs.1,644,994/-.

31.07.2006 The Department explained that the college being an educational institution had to purchase scientific apparatus/science equipments and computers for different laboratories/labs to teach the students. It was also stated that the college was declared as autonomous body/under the management of Board of Governors. The BoG had delegated the financial power to the Principle of the College under the Act 1999. All the purchases were made after observing all the codal formalities.

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

79. Para No.36 Page 36 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of Reward and Bonus Amounting to Rs.1,480,000/-

31.07.2006 The Department explained that the expenditure had already been regularized by the Finance Department.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

80. Para No.38.1 Pages 37 & 38 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,215,895/- on Printing.

Queen Marry College Lahore Rs.690,895/-

25.01.2007 The Department explained that the expenditure was made in accordance with procedure and proper account of consumption of stationary was maintained. Actual payee's receipts were available, the quotations were called and the lowest bidders were entrusted the work of printing of college stationary.

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

81. Para No.38.2 Pages 37 & 38 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,215,895/- on Printing.

Queen Marry College, Lahore Rs.525,000/-

82. Para No.65 Pages 58 & 59 of Audit Report for the year 2001-2002; Irregular/ Uneconomical Expenditure Rs.313,726/- on Purchase/ Printing of Stationery and Student Diaries.

83. Para No.87 Pages 75 & 76 of Audit Report for the year 2001-2002; Irregular Printing of Hymn Books Worth Rs.76,500/-

25.01.2007 The Department explained that the quotations were called and the lowest bidder was entrusted the work of printing college magazine.

Audit contended that NOC for the printing of college magazines was not obtained from the government printing press.

The Committee **settled the para** with the directions that the Administrative Department would take appropriate action against the responsible for not obtaining the NOC from the Printing Press.

84. Para No.39 Page 38 of Audit Report for the Year 2001-02; Irregular Drawal from Government Treasury and its Deposit into Commercial Bank Rs.1,248,785/-

(39.2) Govt. Islamia Degree College, Narowal Rs. 50,000/-

30.05.2007 The Department explained that the vouched account was completely available for verification.

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

(39.8) Government College (W) Sadiq Abad District Rahim Yaar Khan Rs.110,000/-

31.07.2006 The Department explained that the matching grant of Rs.110,000/- was deposited into General Fund of the College in accordance with Finance Department, Govt. of the Punjab No. dated 02-06-1988. It was also stated that the grant was later on spent on the purchase material and co-curricular activities of the students. The expenditure was incurred after observing all the codal formalities.

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

85. Para No.40 Pages 39 & 40 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1,128,932/- Due to Irregular Appointment Recovery Thereof.

(40.3) Government Islamia College (B) Lahore Cantt. - Rs.174,049/-

27.01.2007 The Department explained that the para consisted of two parts:-

a. Mr. Abdul Qayyum Rattu

The Department explained that the matter was subjudice and the concerned officer was in jail in another case.

The Committee **pending this part being subjudice** in the court of law.

b. Mr. Munir Ahmed Qamar, Lecturer Assistant

The Department explained that the service book of the concerned official had been lost and could not be traced out after strenuous efforts.

The Committee **kept this part pending** with the directions that duplicate service book of the official be got prepared and got verified by Audit.

(40.4) Government Degree College for Women Muslim Town, Rawalpindi Rs.228,900/-.

31.07.2006 The Department explained that Mrs. Rabia Saeed, Lecturer in Political Science of this college was erratically posted in this college against the post of Physical Education vide government order dated 3-11-1999. Her posting was within sanction strength and she performed her duties to the entire satisfaction of college students. She was paid her salary after performing her job.

The Committee **settled the para** with the directions that no erratic posting would be made in future.

(40.5) Kinniard College for Women Lahore – Rs257,145/-

26.01.2007 The Department explained that Dr. Mrs. Meeran Phailbus, Principal was reappointed by the Board of Governor of the College after superannuation w.e.f. 29/9/97. The compensatory allowance was also approved by the BoG for special assignments/additional work beyond the hour of duty. Moreover, the appointment of Dr. Mrs. Meeran Phailbus as Principal Kennard College for Women, Lahore was regularized by the Chancellor/Governor of the Punjab.

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

(40.6) Government Degree College Liaquatpur Rs.89,941/-

27.01.2007 The Department explained that the erratic posting was made with the orders of the Director of Education (Colleges) Bahawalpur.

The Committee **settled the para** with the directions that no erratic posting be made in future.

86. Para No.42 Page 41 of Audit Report for the Year 2001-02; Unauthorized Drawl of Pay & Allowances Rs.1,088,635/- during Absent and Leave Periods

(42.1) Govt. APWA College, Lahore Rs. 446,152/-

30.05.2007 The Department explained that the factual position was that the staff members drawn the Pay & Allowances during the period of their leaves/casual leaves and summer vacations through notification issued by the competent authority. It was also stated that the actual recovery was Rs.36000/- which had been made and got verified by audit.

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

(42.4) Govt. College, Ravi Road, Shahdara, Lahore Rs. 396,906/-

30.05.2007 The Department explained that an inquiry was conducted by the DEO(C) Ravi/Shalimar Town dated 11.3.2006 and as per inquiry report an amount of Rs.93183/- pertained to Mr. Safdar Ali, Lecturer in English who remained absent from 1.1.1999 to 30.11.1999, but he managed to draw his amount, however, his salary was stopped w.e.f. 12/99. He was still absconding. The amount of Rs.51384/- had been received from certain staff members against whom these amount were pointed out by audit. It was also stated that the amount of Rs.1365/- and 42416/- was not due from Mr. Abid Nazir Gill, Lecturer in Chemistry and Mr. Nasurlah Khan, Associate Professor of Arabic respectively as they performed their duties.

The Committee **kept the para pending** for balance recovery at the earliest.

87. Para No.44 Pages 42 & 43 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.929,794/- on Repair and Maintenance of Building.

(44.2) Government Murray College Sialkot-Rs.143,390/-

31.07.2006 The Department explained that an amount of Rs.143,390/- was drawn and used for maintenance and repair of college building. The work was got done out of Student Welfare Fund. It was also stated that Government Rules were not applied for students fund, the vouched account was available as well as the assessment of excavated work had been obtained from Executive Engineer Building.

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

(44.3) Government College (W) Lahore-Rs.391,604/-.

31.07.2006 The Department explained that as per financial Rules (vi) of the college, Principal had powers to approve maintenance and repair works and sanction expenditure thereon up to 2.50 lack in each case after fulfilling the codal formalities. It was also stated

that in the college rules of construction, there was provision of that work exceeding 5 lakh rupees be advertised through press. As all works were below 5 lakh rupees hence there was no need to advertise through press.

The Committee **kept the para pending** for verification.

(44.4) Government College Bosan Road Multan –Rs.194,800/-

31.07.2006 The Department explained that an amount of Rs.195,000/- was placed at the disposal of the Building Department and was utilized for the maintenance & repair of the college building. The work was executed after observing all codal formalities and a certificate duly signed by the concerned Executive Engineer Building Department that the expenditure was entered in the cash book and work of repair and maintenance of building was satisfactorily carried out had been obtained.

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

88. Para No.45 Pages 43 & 44 of Audit Report for the year 2001-2002; Irregular Appointments, Unjustified Expenditure Rs.832,174/-

31.07.2006 The Department explained that Miss Parveen Akhtar, Lecturer in Arabic was adjusted against the post of Home Economic, Miss Amber Yasmeen, Lecturer in Persian was adjusted against the post of Punjabi and Miss Lubna Kusar, Lecturer in Pakistan Study was adjusted against the post of Political Science vide Government Order dated 29-8-1998. The posting of the above mentioned Lecturers were made erratically by the Government within the sanction strength of the College. They performed their duties very efficiently and to the entire satisfaction of the college students.

The Committee **settled the para** with the directions that no erratic posting would be made in future.

89. Para No.46 Page 44 of Audit Report for the year 2001-2002; Loss to Govt. Exchequer for Rs.776,228/- Due to Non-Allotment of Govt. Residences and Irregular Payment of House Rent Allowance.

(46.1) Government Murray College Sialkot Rs.771,578/-

31.07.2006 The Department explained that most of the residences were occupied since the time of nationalization without deduction of House Rent and Repair Charges. It was further stated that the matter was pending in the court of law.

The Committee **pended the para** being subjudice in the court of law.

(46.3) Govt. Degree College, Lodhran Rs. 14,904/-

30.05.2007 The Department explained that Four Class-IV servant quarters were constructed in this College in 1997, which were taken over by the Administration without

electricity connections and water supply. The connections were not installed till 30.10.2001. Electricity connections were installed on 30.10.2001. Due to non-availability of such basic facilities mentioned above, it was impossible to reside in these quarters. The quarters could not be allotted. SDO, WAPDA Lodhran had also certified that electricity connections were installed in the quarters on 30.10.2001. Moreover, these quarters were allotted on 01.7.2001 and the same letter was available for verification.

The Committee **settled the para subject to verification** of allotment letter by audit.

90. Para No.47.1 Page 45 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.579,549/- on Printing from Private Press.

Government College Bosan Road Multan – Rs.549,675/-

27.01.2007 The Department explained that the college magazine, question papers and college gazette were printed out of magazine fund and general fund and all the codal formalities were observed. The expenditure was within the competency of the principal. Moreover, the delegation of financial power rules did not apply to student's fund. It was also stated that no sales tax was leviable on printing of college magazine as per sales tax act.

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

91. Para No. 48 Pages 45 & 46 of Audit Report for the Year 2001-2002; Irregular Expenditure of Rs.564,954/-

26.01.2007 The Department explained that the para was reduced to Rs.203580/- after verification of record. Moreover, the department had tried utmost to make purchases from the sales tax registered firms but all the sellers were not registered.

The Committee **settled the para** with the directions that all the purchases be made from the registered firms in future.

92. Para No. 49 Pages 46 & 47 of Audit Report for the Year 2001-2002; Irregular/ Doubtful Purchases Worth Rs.549,558/- From Un-Registered Firm, Without Having Sales Tax Invoices of Rs.72,093/-

26.01.2007 The Department explained that total recovery had been effected and deposited into government treasury.

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

93. **Para No.50 Pages 47 & 48 of Audit Report for the year 2001-2002; Irregular Expenditure Incurred on the Purchase of Computer Amounting to Rs.545,941/- and Non-Deduction of Income Tax Amounting to Rs.15,915/-**

27.01.2007 The Department explained that the computers were purchased by Purchase Committee out of donation money which was donated by FFC, Goth Mach, Lever Brothers and Ch. Jaffer Iqbal and other Philanthropists. Income Tax of Rs.15,915/- had been deposited into the government treasury.

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

94. **Para No.51 Page 48 of Audit Report for the year 2001-2002; Uneconomical and Unauthorized Expenditure of Rs.544,958/- on Purchase of Furniture.**

95. **Para No.58 Page 53 of Audit Report for the year 2001-2002; Un-Justified/Irregular and Un-Economical Expenditure of Rs.382,490/- on Purchase of Photocopier Machine.**

96. **Para No.67 Page 60 of Audit Report for the year 2001-2002; Irregular/Uneconomical Expenditure of Rs.291,644/-.**

31.07.2006 The Department explained that the furniture worth Rs.544,958/- was purchased on 10 different occasion and the purchases were made after calling short tender/quotations.

The representative of Finance stated that during that period, the government had imposed ban on the purchases of durable goods vide its letter dated 31/7/1999.

The Committee **kept the paras pending** with the directions that an inquiry be initiated in the case, responsibility be fixed and then the case be submitted to the competent authority for regularization.

97. **Para No.53 Page 49 & 50 of Audit Report for the Year 2001-02; Irregular Expenditure of (Rs.544,802 + Rs.484,916) = Rs.1,029,718/- on Payment of Erratic, Mismatched Postings and Change of Cadre**

(53.2) Govt. Degree College for Women, Bahawalnagar Rs. 114,628/-

30.05.2007 The Department explained that some un-classified posts of menial staff had been sanctioned in this college under the category of the class-IV servants and no nomenclatures of these posts were mentioned. These class-IV employees had been assigned different duties in accordance with their ability and designated them with nomenclature of the post against which they were adjusted from time to time.

In the same way M/s. Muhammad Munir and Muhammad Aslam Class-IV servants of this college were adjusted against the posts of Naib Qasid and Lab. Attendant respectively. Keeping in view their ability and capability in the best interest of the institution as provided by Rule 11 of Punjab Civil Servants Act 1974, wherein it is permitted to transfer from one functional unit to another functional unit if the person holds an appointment on regular basis in the same basic scale and rank.

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

(53.3) Government Khawaja Fareed College ,Rahim Yar Khan-Rs.310,360/-

31.07.2006 The Department explained that the erratic postings/adjustments were made by the Education Department, Govt. of the Punjab, the posting of these Lecturers was within the sanction strength of the college. They were paid salary after performing their job.

The Committee **settled the para** with the directions that no erratic posting would be made in future.

(53.5) Government Degree College Shujabad, Multan Rs.264,620/-

27.01.2007 The Department explained that the staff was posted in the College erratically by the then DE(Colleges) Multan/DPI (Colleges). The posting of the staff was within the sanction strength.

The Committee **settled the para** with the directions that no erratic posting would be made in future.

98. Para No.54 Page 50 of Audit Report for the Year 2001-02; Unjustified Expenditure of Rs. 530,242/- on Unnecessary Posting of Staff

30.05.2007 The Department explained that Govt. Inter College, Rangpur, (M.Garh) was established w.e.f. 01.09.1989, it was temporarily housed in a portion of Govt. High School, Rangpur. The Lecturer Assistant, Lab. Attendant and Class-IV servants were provided to the college through SNE 1989-1990, these posts were provided to the college under long term planning. Although the college was not working in its own building yet the services of this staff were utilized in conducting practical of the students in science labs of school, work was also taken from other Class-IV servants. They were assigned duties in the portion of the building where college was functioning and they were also assigned duties for preparation of plots and plantation at the under constructed area of main college premises.

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

99. Para No.55 Page 51 of Audit Report for the year 2001-2002; Unjustified and Doubtful Expenditure on Account of Electricity and Sui Gas Charges Rs.433,620/-

27.01.2007 The Department explained that the electricity bills were paid to WAPDA and copies of paid bills were misplaced. WAPDA had issued a certificate about the payment of this amount. It was also stated that no surcharge/over payment was made.

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

100. Para No.56 Page 52 of Audit Report for the Year 2001-2002; Un-Authorized Transfer of Rs.400,000/- to Term Deposit Accounts.

25.01.2007 The Department explained that the entire record of deposit had been got verified by audit.

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

101. Para No.57.2 Pages 52 & 53 of Audit Report for the Year 2001-02; Irregular Purchase of Sports Material Amounting to Rs.383,794/-

Govt. Degree College (B), DG Khan Rs. 303,354/-

30.05.2007 The Department explained that the stock register containing stock entries and consumption account of the articles purchased was available for verification.

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

102. Para No. 61.2 Pages 55 & 56 of Audit Report for the Year 2001-2002; Irregular Drawal of Matching Grant Rs.345,270/-

Government College Sargodha, Rs.245,274/-

25.01.2007 The Department explained that the amount of Rs.245,274/- was lying unspent in general funds account of former Government College Sargodha. The said amount was neither refunded to government treasury nor expended due to the reasons that University of Sargodha was started functioning in November 2002 in place of Government College Sargodha and all the funds were transferred to University under University of Sargodha Ordinance 2002.

The Committee settled the para with the directions that the amount be spent on extra co-curricular activities and sports activities.

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

103. Para No 62.1 Pages 56 & 57 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.344,112/- on Repair of Transport.

Government College for women Baghbanpura Lahore – Rs.75,067/-

31.07.2006 The Department explained that the audit observation was not based on facts. The factual position was that this college incurred expenditure of Rs.75,067/- during the year. This amount was spent on the repair of vehicles on different dates as per requirement. Therefore, the expenditure was not split up. The expenditure was within the competency of the Principal and was covered under serial No. 3(b)(iii) of the Punjab Delegation Financial Powers Rules 1990. The work was got done from a government institution named Re-Public Motors (Pvt) Ltd., the Mall, Lahore. Therefore no NOC and no quotations were required. Actual payees receipts were available and replaced parts had been duly accounted for.

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

104. Para No.63 Page 57 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.339,914/- Beyond Competency.

31.07.2006 The Department explained that the purchase of furniture was made under Grant No. 36 Development and the Director of Education being Category-I officer was fully competent to accord sanction for the incurrence of the expenditure.

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

105. Para No.64 Page 58 of Audit Report for the year 2001-2002; Irregular Deposit of Public Money Rs.321,120/- in Commercial Bank.

27.01.2007 The Department explained that out of Rs.660,045/- a sum of Rs.513,705/- had been disbursed as scholarship to 181 students and remaining balance of Rs.146,348/- had been deposited into the government treasury.

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

106. Para No.66 Pages 59 & 60 of Audit Report for the year 2001-2002; Irregular Drawal of Rs.300,000/- from Government Treasury and Deposit Into Private Banks

(66.1) Government Degree College Liaquat Pur-Rs.60,000/-.

31.07.2006 The Department explained that the amount was drawn in lump sum and credited in the General Fund Account for utilization on the co-curricular and sports

activities of the college after observing necessary financial and codal formalities in the light of the instructions issued by the Finance Department notification dated 02-6-1998.

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

(66.2) Government College (W) Muzaffar Garh -Rs.60,000/-.

31.07.2006 The Department explained that the payment of excursion/study tours and sports articles were made out of General Fund Account No. 3842. The amount was deposited into the said account as per government instructions. The lump sum purchase of sports good could not be made as Lecturer in Physical Education was not appointed during that period. The amount of matching grant was credited to the general fund, to promote healthy curricular and sports activities.

The para was settled subject to verification of record by audit.

(66.4) Government College (W) Khanpur Rahim Yar Khan-Rs.70,000/-.

31.07.2006 The Department explained that the matching grant of Rs.70,000/- was released to the college during the financial year 200-2001 and was deposited into the general fund of the college as per the government instructions.

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

27.01.2007 The Department explained that as per directions of the PAC dated 31.7.2006, the record was available for verification.

The para was settled subject to verification of record by audit.

107. Para No.68 Page 61 of Audit Report for the year 2001-2002; Un-Necessary/ Unjustified Expenditure Rs.260,820/- Due to Posting of laboratory Staff Without Duty

27.01.2007 The Department explained that the Government College, Jatoi started functioning in the building of High School ,Jatoi. Laboratory of the said school was being utilized for conducting practical by students of the college. As such services of the staff were fully utilized for conducting practical. Therefore, they were paid their salary for performing their duty.

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

108. Para No.69 Pages 61 & 62 of Audit Report for the year 2001-2002; Irregular Purchase of Equipment Worth Rs.255,929/- by Rejecting Lower Rates.

31.07.2006 The Department explained that on receipt of tenders M/s Maroof was awarded the contract to supply of computer and it had provided all equipments according

to the specification. The low rates quoted by M/s. EDM Technology was rejected as it did not supply the equipments according to specification as mentioned in tenders. In addition, it had also deposited less amount of call deposit. The case was also sent to the purchase cell Education Department for scrutinizing which was found correct with the direction to proceed further in the matter vide letter dated 22.5.2001.

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

109. Para No.70 Page 62 of Audit Report for the year 2001-2002; Irregular Drawl of Motor Car Maintenance Allowance Rs.244,944/-

25.01.2007 The Department explained that the registration copies of the vehicles in respect of the recipients drawing motor car allowance had been got verified by audit.

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

110. Para No.74.2 Page 65 of Audit Report for the year 2001-2002; Infructuous Expenditure of Rs.218,636/- on Purchase of Science Material.

Principal Government Degree College, Fatehpur Rs.49,998/-

27.01.2007 The Department explained that the college was established under long term planning. It was expected that Science Teachers would be appointed in the college and science students would take admission. Unfortunately, the Science Teachers could not be posted in the college due to ban imposed by the Government and Girls students in Science subject did not take admission. However, after the construction of own building of the college, Science Teachers were appointed in the College and students also started taking admission in Science subjects. The number of students in Science subjects had increased gradually. Science material purchased had been utilized for conducting Science practical.

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

111. Para No.79 Pages 68 & 69 of Audit Report for the year 2001-2002; Loss of Rs.140,424/- Due to Non-Allotment/ Occupation of Quarters.

27.01.2007 The Department explained that the para consisted of two parts:-

1. Recovery of Rs. 133,000/- due to non-occupation of servant quarters

The factual position was that the said servants quarters were constructed under the main scheme of construction of college building, but no electric connection were provided to these quarters till now.

The Committee **settled this part** with the directions that the Department should pursue for electrification for these quarters within 60 days.

2. Principal Residence

The Department explained that the ex-Principal had retired from service on 31.12.2000 and the new Principal took charge of the office on 18.1.2001. The residence remained vacant upto 30.6.2001. An amount of Rs. 6,160/- had been deposited for the period of 18.1.2001 to 30.6.2001 into government treasury.

The Committee **settled the para** with the directions that the charge report of the new principal be got verified by audit.

112. Para No.81 Pages 70 of Audit Report for the year 2001-2002; Irregular and Doubtful Purchases of Sports Goods Worth Rs.134,355/-

25.01.2007 The Department explained that the entire record had been produced to audit for verification and audit had verified the same.

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

113. Para No.83.3 Page 72 of Audit Report for the year 2001-2002; Irregular Re-Imbursement of Medical Charges Rs.102,906/-

Government Degree College (Boys) Shorkot District Jhang Rs.38,919/-

27.01.2007 The Department explained that the matter had been regularized by the competent authority which could be verified by audit.

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

114. Para No.85 Page 74 of Audit Report for the year 2001-2002; Irregular Payment of Rs.96,759/-.

31.07.2006 The Department explained that there was no separate residence built with the hostels. The Wardens were residing in the small rooms attached with the hostel. However, the recovery of house rent allowance of Rs.9,693/- had been recovered from Ms. Sufia Banoo and a letter for recovery of Rs.87,120/- had been written to Ms. Musarat Parveen, who had been transferred from this college to Queen Merry College, Lahore.

The Committee reduced the para to the extent of recovery and desired that the Department should enquire whether the Wardens resided in the small room or in a specified residence for Warden.

The para was kept pending.

- 115. Para No.86 Pages 74 & 75 of Audit Report for the year 2001-2002; Irregular Drawal of House Rent Allowance and Non-Deduction of 5% House Rent Recovery of Rs.85,664/-.**
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(86.1) Government Degree College Dunyapur District Lodhran-Rs.27,809/-.

31.07.2006 The Department explained that the newly established Inter Girls College was temporarily housed in Principal residence of Boys College under order of the Government and it remained functioning in the boundary till 2001.

The para was settled subject to verification of record by audit.

(86.2) Government College for Women Wahdat Colony Lahore-Rs.21,410/-.

31.07.2006 The Department explained that the said amount had been recovered from the concerned staff and deposited into the government treasury. Moreover, the para was discussed in the SDAC meeting held on 6-11-2004 and was settled.

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

(86.3) Government Degree College Shujabad, Multan – Rs.36,445/-

27.01.2007 The Department explained that the residence of Principal required a lot of repair and it was therefore not occupied. The same was later occupied by Principal after 6.1.2001 after getting repair.

Audit contended that departmental contention had not be verified from the available record.

The para was kept pending for recovery.

- 116. Para No.89 Page 77 of Audit Report for the year 2001-2002; Irregular Expenditure on Hiring of Tentage, Fans Etc. Rs.74,888/-**
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25.01.2007 The Department explained that the quotations were called for and the requisite hiring of furniture was regular and economical, list of approved rates were available.

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

117. Para No.91 Page 78 of Audit Report for the year 2001-2002; Irregular Expenditure Amounting to Rs.71,174/- Due to Defective Maintenance of Log Book of College Bus No. LXC-4526.

27.01.2007 The Department explained that log book had been maintained as per the instructions of the government and all the requisite entries had been properly recorded.

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

118. Para No.94 Pages 80 & 81 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.59,017/-.

31.07.2006 The Department explained that the expenditure of Rs.59,017/- was spread over span of 04 years i.e. 1997-98 to 2000-2001 and not only one year. The letter under which the matching grants were conveyed there was no mention of adding the equal amount from the General Fund of the College. As such the grant was utilized without adding equal amount of fund from the general fund of the college. The commission was not intentionally. The requisitions from the sports incharge of each year were on the record. Besides, approval of the Purchase Committee was available for verification.

The para was settled subject to verification of record by audit.

119. Para No.96 Page 82 of Audit Report for the year 2001-2002; Unjustified Expenditure of Rs.54,880/- Incurred on Telephone Charges.

31.07.2006 The Department explained that the duplicate bills along with the detail of trunk calls and certificate by the Drawing & Disbursing Officer/user that calls were made on official business was available for verification.

Audit verified the record and recommended the para for settlement.

The para was settled.

120. Para No.97 Pages 82 & 83 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.51,750/- on Purchase of Furniture.

25.01.2007 The Department explained that the NOC was not required from Government Wood Working Centre, Gujrat for purchase of the furniture. Stock entries of all the furniture were available on record. It was further stated that the expenditure was made out of the student fund and no government grant was involved in this expenditure.

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

- 121. Para No.101.1 Page 86 of Audit Report for the year 2001-2002; Loss of Rs.191,073/- Due to Non-Allotment/Occupation of Government Residences.**
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Government Inter College Gujranwala-Rs.146,073/-.

31.07.2006 The Department explained that the college had three single suits meant for Lecturers, each suit had an area of 760sqft. These single suits had common veranda and no boundary wall. The lack of boundary wall and inadequacy of residential capacity had been barring the Lecturers to reside in these suits. None of the college Lecturer ever resided in these suits. The record was available for verification.

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

- 122. Para No.102 Page 87 of Audit Report for the year 2001-2002; Unauthorized & Uneconomical Expenditure of Rs.347,300/- on Purchase of Answer Sheets Out of Examination Fund Recovery of Rs.173,650/-.**
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31.07.2006 The Department explained that the expenditure was incurred out of funds contributed by the student for the same purpose and the open tenders were not called due to maintenance of secrecy of answer sheets.

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

- 123. Para No.103 Page 88 of Audit Report for the year 2001-2002; Loss to Government Due to Non-Construction of College Building Portion Utilized by Computer Centre Organizer – Recovery of Rs.99,870/-**
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27.01.2007 The Department explained that as per clause 1(a) and 2(b) of the contract the space was to be provided for computer centre by the college and in the light of government instructions no rent was due from the firm.

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

- 124. Para No.107 Page 91 of Audit Report for the year 2001-2002; Non-Production of Record in Support of Drawal of Rs.592,600/-**
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25.01.2007 The Department explained that the observation of the audit had been properly addressed.

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

125. Para No.108 Page 92 of Audit Report for the year 2001-2002; Non-Production of Vouched Account Against an Amount of Rs.567,413/-

(108.1) Government College, Ravi Road, Shahdara, Lahore Rs.121,334/-

27.01.2007 The Department explained that the complete vouched account of the expenditure was available for verification.

The para was settled subject to verification of record by audit.

(108.2) Government M.C. College Shahkot, District Sheikhpura-Rs.117,527/-.

31.07.2006 The Department explained that the detail of amounts drawn by the college was as under:-

i) Rs.107/-

This amount was drawn due to TA/DA of Mr. Muhammad Asif, J/c of the college. This amount was not entered into the cash book due to an over-sight.

ii) Rs.117,420/-

This amount related to final payment of GP Fund of Assistant Professor Ehsan-ul-Haq (late), of this college. This amount was also not entered in the cash book, as the widow of the deceased Professor herself drawn the amount of GP Fund. However, both the amounts have now been entered in the cash book and the record was available for verification.

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

126. Para No.113 Pages 95 & 96 of Audit Report for the year 2001-2002; Non-Production of Record Involving Rs.25,570,072/-.

(113.1) Government Islamia College (B) Lahore Cantt. Rs.1,487,681/-

27.01.2007 The Department explained that the complete record of purchases was available for verification.

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

(113.8) Government College (W) Wahdat Colony, Lahore-Rs.179,600/-.

31.07.2006 The Department explained that Rs.20,000,000/- was allocated for maintenance & repair of the college and an expenditure of Rs.179,600/- was incurred against this estimate by the Director of Education on 23-12-2000. Maintenance & Repair was completed by the Building Department well in time which was physically checked

by the College Council according to the estimate. The certificate of the concerned XEN on account of deposit works was available on record.

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

(113.9) Queen Marry College Lahore Rs.161,361/-

25.01.2007 The Department explained that the amount calculated by audit was not correct, The vouched accounts for the amount of Rs.143,817/- plus Rs.179,491/- were available for verification.

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

(113.10) Government Science College Wahdat Road, Lahore-Rs.4,961,408/-.

31.07.2006 The department explained that para related to drawal of pay, GP Fund, leave enhancement etc. and complete record of these drawal was available for verification.

The Committee **kept the para pending** for verification of record by audit.

(113.11) Queen Marry College Lahore Rs.8,536,624/-

25.01.2007 The Department explained that the record was available for verification.

The Committee **kept the para pending** with the directions that record be got verified within 90 days by Audit.

(113.13) Government Fatima Jinnah College (W) Chuna Mandi, Lahore Rs.33,879/-

26.01.2007 The Department explained that the para was discussed in the SDAC meeting held on 7/2/2003 and was settled.

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

127. Para No.114 Page 96 of Audit Report for the year 2001-2002; Non-Production of Record Rs.265,754/-

27.01.2007 The Department explained that out of total allocation of Rs. 265,754/- purchases worth Rs.171,832/- was purchased through Purchase Cell, order for remaining amount of Rs.93,922/- could not be placed with the Purchase Cell as no Lecturer/AP in the subject of Chemistry was posted in the college at that time.

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

128. Para No.115 Page 97 of Audit Report for the year 2001-2002; Non-Production of Vouched Account in Support of Rs.191,566/- Spent Out of Students Fund.

27.01.2007 The Department explained that now the record had been retrieved from the concerned persons and was available for verification.

The para was kept pending for verification of record by audit.

129. Para No.117 Page 98 of Audit Report for the year 2001-2002; Non-Production of Vouched Account of Rs.95,000/-.

31.07.2006 The Department explained that the advances were issued for the construction works and the vouched account of complete work was available as well as assessment of executed work had been obtained from the concerned Executive Engineer Building.

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

130. Para No.118.2 Page 99 of Audit Report for the year 2001-2002; Irregular Lapse of Funds to the Tune of R.744,052/-

Government College (W), Saman Abad Lahore Rs.428,742/-

27.01.2007 The Department explained that the main reason for lapse of funds was that the Accountant General, Punjab, Lahore had not passed the bills of Contingent Grant without the invoices of General Sales Tax of different firms. The firms to whom the orders were placed did not supply the invoices as desired by the Accountant General Punjab, Lahore. As a result of this all the bills were returned un-passed by the Accountant General Punjab, Lahore therefore the grant lapsed due to no fault at the part of this office.

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

131. Para No.121 Page 101 of Audit Report for the year 2001-2002; Non-Re-Coupement of Advances Worth Rs.124,325/-

25.01.2007 The Department explained that adjustment of Rs.124,325/- had been made and got verified by Audit.

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

132. Para No.122 Pages 101 & 102 of Audit Report for the year 2001-2002; Irregular Savings/Non-Surrender of Amounts for Rs.117,349/-.

31.07.2006 The Department explained that only Rs.94,348/- were lapsed and the Appropriation Accounts for the year had been settled by the PAC.

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

133. Para No.123 Page 102 of Audit Report for the year 2001-2002; Lapse of ADP Grant of Rs.99,623/-.

31.07.2006 The Department explained that indent for the purchase of scientific equipments costing Rs.99,625/- were replaced with the purchases cell of the Education Department on 23.12.1999, with Scientific Supply Corporation before the close of financial year 1999-2000. The College Administration received bill No.2351 from the said firm on 29.6.2000 through an ordinary mail but the firm did not supply the goods up to 30.6.2000. It was further stated that as the financial year 1999-2000 lapsed on 30-6-2000, the college administration showed inability to accept the goods and make the payment. Moreover, the appropriation account for the year had already been settled by the PAC.

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

134. Para No.124 Pages 102 & 103 of Audit Report for the year 2001-2002; Comments On Computer Centre.

27.01.2007 The Department explained that the Computer Centre was established in 1998 through an agreement with Pakistan Education Network on the approval of government. In 2000, on the notification of Government ESCROW Policy for the running of Computer Centers of the Colleges, the matter was referred to the government which allowed to continue agreement with the NGO on the same terms & conditions of first agreement. Further more, the income & expenditure of the computer centre was very well maintained and was available for verification. The entire amount of college profit 1998 to April 2006 (Rs.684,188/-) was also available with the college computer Account No. 0197-000180-000-8. BOP were remained un-utilized and could be got verified.

The Committee **settled the para** with the directions that policy for disbursement be prepared and record be got verified by audit.

Audit Paras (Commercial) for the year 2001-2002

- 1. Para No.43 Pages 45 & 46 of Audit Report for the year 2001-2002; Working Results**
 - 2. Para No.44 Page 46 of Audit Report for the year 2001-2002; Working Results**
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25.02.2006 Audit had pointed out that the Punjab Education Foundation was established to encourage and promote education in private sector for establishing educational institutions on non-commercial and self help basis. Although the income & profit of the foundation was increased by 24% and 32% in the year 2001-2002 as compared to the previous year but it could not performed its main function i.e. loan disbursement for establishing educational institutions.

The Department explained that under Punjab Education Foundation Act and Rules frame their under, financial assistance in the shape of loan and grant was sanctioned and released under prescribed procedure and yardstick to the NGO/private institutions for the promotion of education. The applications for Financial Assistance were initially scrutinized in each district at the level of District Education Promotion Committee headed by District Nazim. However, it slowed down the processing of applications at District level due to the change of the composition of DEPCs and thus resultantly disbursement of Financial Assistance was also decreased. Now the new system of public private partnership has been initiated in 2004. It was also stated that the Education Foundation was now supporting 20 thousand students in the province. The Department assured that the position of the foundation would be improved in future.

The Committee **settled the para** on the assurance of the Department that the situation would be improved in future.

OTHER THAN COLLEGES

Audit Paras (Civil) for the year 2001-02

1. Para No.1 Page 10 of Audit Report for the year 2001-2002; Recovery of Embezzled Amount of Rs.1,562,818/-.

27.02.2006 Audit had pointed out that an amount was found embezzled by Mr. Nawaz Khan PET. He was dismissed from service. The said amount was still recoverable.

The Department explained that a case had been registered with the ACE which was still pending with ACE. The official had also been dismissed from service and EDO (Rev) had been approached for recovery as arrears of Land Revenue.

The Department was directed to get the facts verified by Audit and pursue the case with ACE and **para was kept pending.**

2. Para No.2 Page 11 of Audit Report for the year 2001-2002; Bogus Appointment of Teachers, Recovery of Rs.393,371/-.

(2.1) Govt. Girls High School Chak No.9/FW (District Bahawalnagar) – Rs.197,360/-.

(2.2) Govt. Girls High School Chak No.9/FW (District Bahawalnagar) – Rs.196,011/-.

27.02.2006 Audit had pointed out that teachers were appointed on bogus appointment orders and against recruitment policy.

The Department explained that teachers had filed an appeal in the Punjab Service Tribunal, Lahore. The PST had announced the decision on 14.5.2003. "The appellants had served in the Education Department. They had rendered services, therefore, the salaries paid to them for rendered services cannot be recovered from them and the order of recovery was set aside, Government institutions were not allowed to take forced labour". Moreover, the teachers had been removed from service and recovery could not be effected as per directions of the Punjab Service Tribunal.

The Department was directed to take appropriate action in the light of the decision of PST and **paras were kept pending.**

(2.3) Govt. Girls High School Chak No.8/FW (District Bahawalnagar)

27.02.2006 Audit had pointed out that teachers were appointed on bogus appointment orders and against recruitment policy.

The Department explained that recovery of Rs.71,500/- had been effected and deposited into Government Treasury. Moreover, the teacher had been removed from service.

The Department was directed to get the record verified by Audit and **para was settled subject to verification** of relevant record.

(2.4) Govt. Girls High School Chak No.428/6R

27.02.2006 Audit had pointed out that teachers were appointed on bogus appointment orders and against recruitment policy.

The Department explained that no recovery was due as per decision of courts on similar issues. Moreover, as a result of probe, the DEO (SE) Bahawalnagar cancelled the orders and resultantly bogus inductee stood removed from service.

Audit observed that Departmental contention was not tenable.

The Department was directed to hold an inquiry, fix responsibility and effect recovery and **para was kept pending.**

3. Para No.3 Pages 11 & 12 of Audit Report for the year 2001-2002; Drawl of Salary Rs.90,493/-.

27.02.2006 Audit had pointed out that an amount was drawn fraudulently against fictitious names.

The Department explained that a committee had been constituted to inquire into the matter which was still under process.

The Department was directed to finalize the inquiry within 30 days and **para was kept pending.**

4. Para No.4 Page 13 of Audit Report for the year 2001-2002; Overpayment of Rs.126,980/- Due to Irregular Grant of Teaching Allowance/Selection Scale to Class IV Employees.

(4.1) Govt. Comprehensive Girls Higher Secondary School, Rawalpindi – Rs.69,600/-.

27.02.2006 Audit had pointed out that teaching allowance was irregularly granted to subject specialist and selection scale was granted to Class-IV employees without entitlement in violation of rules and regulation.

The department explained that deposit of Rs.35,694/- had been verified by Audit.

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

5. Para No.4.2 Page 13 of Audit Report for the year 2001-2002; Overpayment of Rs.126,980/- Due to Irregular Grant of Teaching Allowance/Selection Scale to Class IV Employees.

Govt. High School No.2 old Hasilpur (Bahawalpur) – Rs.13,246/-.

6. Para No.9 Pages 16 & 17 of Audit Report for the year 2001-2002; Non/Less Deposit of Tuition Fee Recovery of Rs.198,186/-

(9.1) Govt. High School Karror Pacca Ladhra – Rs.30,833/-

(9.5) Govt. High School Chak No.428/LR Bahawalnagar – Rs.37,052/-

7. Para No.70 Pages 64 & 65 of Audit Report for the year 2001-2002; Irregular Purchase From Un-Registered Firm Without Having Sales Tax Invoices Rs.93,762/- Income Tax Not Deducted.

(70.1) Govt. Girls High School Mandi Bah-ud-Din – Rs.21,313/-.

(70.3) Govt. MC High School Bhakkar – Rs.36,406/-.

(70.4) Govt. Millat High School Mughalpur Lahore. – Rs.14,673/-.

(70.5) Govt. Islamia High School Lahore Cantt. – Rs.10,760/-.

(70.6) Govt. Public Girls High School Mandi Bah-ud-Din – Rs.3,065/-.

27.02.2006 The department explained that complete recovery had been effected and verified by audit.

On the recommendation of audit, the paras were settled.

8. **Para No.4.3 Page 13 of Audit Report for the year 2001-2002; Overpayment of Rs.126,980/- Due to Irregular Grant of Teaching Allowance/Selection Scale to Class IV Employee.**

Govt. Lucy Harison Girls High School Waris Roat Lahore – Rs.30,784/-.

27.02.2006 Audit had pointed out that teaching allowance was irregularly granted to subject specialist and selection scale was granted to Class-IV employees without entitlement in violation of rules and regulations.

The Department explained that no recovery could be made as the retired lady teacher had not applied for pension so far.

The Department was directed to expedite the recovery and para was kept pending.

9. **Para No.4.4 Page 13 of Audit Report for the year 2001-2002; Overpayment of Rs.126,980/- Due to Irregular Grant of Teaching Allowance/Selection Scale to Class IV Employees.**

Govt. High School Haroonabad (Bahawalnagar) – Rs.13,350/-.

10. **Para No.12 Page 19 of Audit Report for the year 2001-2002; Non-Maintenance of Record of Student Fund of Rs.60,024/-.**

11. **Para No.13 Pages 19 & 20 of Audit Report for the year 2001-2002; Recovery of Rs.54,501 on Account of Less Deposit of Student Funds.**

12. **Para No.18 Page 23 of Audit Report for the year 2001-2002; No-Return of Loan Recovery of Rs.67,999/-.**

13. **Para No.25.3 Page 30 of Audit Report for the year 2001-2002; Rs.866,840/- Drawn From the Government Treasury But Not Returned in the Cash Book.**

Govt. High School Ferozewala Distt. Sheikhpura Rs.52,500/-

14. Para No.26.3 Page 31 of Audit Report for the year 2001-2002; Non-Entrance of Articles Amounting to Rs.653,682/- in the Stock Register.

Govt. High School Kutla Haji Shah Layyah – Rs.21,406/-.

15. Para No.26.6 Page 31 of Audit Report for the year 2001-2002; Non-Entrance of Articles Amounting to Rs.653,682/- in the Stock Register.

Govt. Comprehensive High School Sheikhpura – Rs.76,254/-.

16. Para No.28.1 Page 32 & 33 of Audit Report for the year 2001-2002; Non-Accountal of Stationary Articles: Recovery of Rs.75,224/-.

Government High School Ferozewala – Rs.32,072/-.

17. Para No.45 Page 46 of Audit Report for the year 2001-2002; Irregular Payment of Utility Bills From Funds Amounting to Rs.58,010/-.

18. Para No.46 Pages 46 & 47 of Audit Report for the year 2001-2002; Irregular Expenditure Out of Students Funds Amounting to Rs.529,416/-.

(46.1) Govt. Rizvia Islamia High School Haroonabad (District Bahawalnagar) – Rs.52,691/-.

(46.3) Govt. Girls High School Mandi Baha-Ud-Din Rs.99,204/-

(46.4) Govt. High School Haroonabad (District Bahawalnagar) – Rs.84,866/-.

(46.5) Govt. High School Fateh Pur (Distt. Layyah) – Rs.45,049/-.

(46.6) Govt. Islamia High School Sialkot – Rs.56,113/-.

(46.8) Govt. S.A High School Ahmad Pur East – Rs.97,534/-.

19. Para No.52 Pages 51 & 52 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.393,226/- Out of Faroogh-e-Taleem Fund.

(52.1) Govt. Girls Higher Secondary School Manawala (Sheikhpura) – Rs.119,442/-.

(52.2) Govt. High School Fatehpur (Distt Layyah) – Rs.90,804/-.

(52.6) Govt. Sheikh Sardar Mahmood Girls Higher Secondary School Allama Iqbal Road, Lahore – Rs.48,795/-.

(52.7) Govt. Girls High School Mandi Bahauddin – Rs.46,340/-.

- (52.8) Govt. High School Bahu Hussain (Distt. Mandi Bahauddin) – Rs.17,485/-.**
20. **Para No.53 Page 52 of Audit Report for the year 2001-2002; Irregular Expenditure From Farooq-e-Taleem Fund Worth Rs.283,349/-.**
- (53.1) Govt. High School Fatehpur (Layyah) – Rs.102,187/-.**
- (53.4) Govt. Higher Secondary School Lodhran (Distt Layyah) – Rs.46,847/-**
21. **Para No.55 Pages 53 & 54 of Audit Report for the year 2001-2002; Doubtful Expenditure of Rs.218,845/- on Account of Purchase/Repair of Furniture.**
- (55.1) Govt. Public High School No.1 Gujrat – Rs.104,392/-.**
- (55.2) Govt. High School Ali Raza Abad, Lahore – Rs.114,453/-.**
22. **Para No.56 Pages 54 & 55 of Audit Report for the year 2001-2002; Irregular Expenditure on Construction of Building Wall Rs.200,437/-.**
23. **Para No.57 Page 55 of Audit Report for the year 2001-2002; Irregular Payments of Utility Bills From Student Funds Rs.186,370/-.**
24. **Para No.61 Page 58 of Audit Report for the year 2001-2002; Irregular Expenditure Out of Student/Medical Funds Amounting to Rs.118,651/-.**
- (61.1) Govt. Girls High School No.1 Dera Ghazi Khan – Rs.80,500/-.**
- (61.2) Govt. Higher Secondary School 306/TDA, Layyah – Rs.12,000/-.**
- (61.3) Govt. Higher Secondary School Ladhana, Layyah – Rs.26,151/-.**
25. **Para No.65 Pages 60 & 61 of Audit Report for the year 2001-2002; Irregular Expenditure From Student Welfare Fund Worth Rs.105,253/-.**
26. **Para No.72 Page 66 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.92,742/- on Accounts of Painting of School Buildings.**
27. **Para No.73 Pages 66 & 67 of Audit Report for the year 2001-2002; Unauthorized Realization of Cycle Stand Fund Rs.84,014/-.**
28. **Para No.75.2 Page 68 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of Printing Work Amounting to Rs.78,400/-.**
- Govt. Girls High School Mandi Bahauddin – Rs.42,575/-.**
29. **Para No.77 Page 69 of Audit Report for the year 2001-2002; Doubtful Expenditure on Purchase of Sports/Science Material out of Union Fund for Rs.65,260/-**

30. **Para No.89 Page 79 of Audit Report for the year 2001-2002; Non-Production of Expenditure Record for Construction of Cycle Stand Rs.65,000/-.**
31. **Para No.90 Page 80 of Audit Report for the year 2001-2002; Non-Maintenance of Consumption Record of Sports/Science Material Valuing Rs.50,501/-.**
32. **Para No.94.4 Page 83 of Audit Report for the year 2001-2002; Non-Production of Record Amounting to Rs.1,193,925/-**
- Govt. Girls High School Mandi Bahauddin – Rs.92,742/-.**
33. **Para No.96 Page 84 of Audit Report for the year 2001-2002; Non-Production of Record in Support of Rs.70,667/-**

27.02.2006 The department explained that PAC-II in its meeting held on 30-11-2004 had observed that the Farooqh-e-Taleem Fund related to Students and not to Provincial consolidated Fund. The matter had been examined in the Finance Department, who had observed that audit of Student Funds of the Educational institutions did not fall under jurisdiction of the Auditor General's (Function & Powers, Terms and Conditions of Service) Ordinance 2001 unless so required by the Governor of the Province.

On the recommendation of the Finance Department, the Committee decided that the Education Department may itself take necessary action in the matters pointed out by Audit. So far as PAC was concerned **the Paras shall be treated as settled.**

34. **Para No.5 Page 14 of Audit Report for the year 2001-2002; Doubtful/Irregular Drawal of Pay & Allowances Amounting to Rs.80,150/- Recovery Thereof.**
35. **Para No.29 Page 33 of Audit Report for the year 2001-2002; Blockage of Funds on Purchase of Science Demonstration Desk/Equipment Worth Rs.40,311,300/-**
36. **Para No.31 Pages 34 & 35 of Audit Report for the year 2001-2002; Irregular Payment of Rs.4,566,311/- to National Equipment Center.**
37. **Para No.81 Page 72 of Audit Report for the year 2001-2002; Irregular Expenditure on Rent of Building Amounting to Rs.1,081,600/- and Recovery of Rs.35,200/-.**
38. **Para No.87 Pages 77 & 78 of Audit Report for the year 2001-2002; Non-Maintenance of Proper Consumption Record of POL Worth Rs.153,576/-**

- 39. Para No.92 Pages 81 & 82 of Audit Report for the year 2001-2002; Non-Production of Record of Amounting to Rs.19,424,090/-.**
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27.02.2006 The Department explained that record was available for audit verification.

The Department was directed to get the facts/ record verified by audit and **paras were settled subject to verification** of relevant record.

- 40. Para No.6 Pages 14 & 15 of Audit Report for the year 2001-2002; Unauthorized Drawal of Conveyance Allowance During Vacations Recovery of Rs.62,698/-.**
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(6.1) Govt. High School Sant Nagar, Lahore – Rs.31,718/-.

27.02.2006 Audit had pointed out that conveyance allowance was drawn by the teaching staff irregularly during summer vacations, for which they were not entitled as per rules.

The Department explained that recovery of Rs.30,547/- had been effected and verified by Audit.

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

(6.2) Govt. Junior Model School Gulberg, Lahore – Rs.30,980/-.

27.02.2006 Audit had pointed out that the teaching staff continued to draw conveyance allowance during summer as well as winter vacation to which they were not entitled.

The Department explained that the Departmental contention had been verified by Audit from supporting record.

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

- 41. Para No.7 Page 15 of Audit Report for the year 2001-2002; Unauthorized Payment of Difference of Pay Worth Rs.59,456/- Recovery Thereoff.**
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- 42. Para No.17 Pages 22 & 23 of Audit Report for the year 2001-2002; Loss of Rs.105,111/- Due to Non Occupation of Government Residence.**
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- 43. Para No.19 Pages 24 of Audit Report for the year 2001-2002; Non-Recovery of House Building Advance Rs.56,946/-.**
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- 44. Para No.25.6 Page 30 of Audit Report for the year 2001-2002; Rs.866,840/- Drawn From the Government Treasury But not Entered in the Cash Book..**
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Govt. Higher Secondary School Lodhana (Layyah) – Rs.72,521/-.

45. Para No.26 Page 31 of Audit Report for the year 2001-2002; Non-Entrance of Articles Amounting to Rs.653,682/- in the Stock Register.

(26.1) Govt. High School Fateh Pur Layyah – Rs.10,900/-.

(26.4) Govt. High School Ameer Pur Saadat – Rs.17,264/-.

46. Para No.32 Pages 35 & 36 of Audit Report for the year 2001-2002; Irregular Drawal of pay and Allowances Without Drawing and Disbursing Officer Powers Rs.2,886,487/-

47. Para No.33 Page 36 & 37 of Audit Report for the year 2001-2002; Irregular/Uneconomical Expenditure of Rs.697,420/-.

(33.4) Govt. Girls High School Ranger Colony Lahore Cantt – Rs.113,109/-.

(33.6) DEO (SE) Lahore City – Rs.47,523/-.

(33.7) Govt. Rizvia Islamia High School Hroonabad (Distt. Bahawalnagar) – Rs.29,999/-.

48. Para No.34 Pages 37 & 38 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1,915,604/- Due to Unauthorized Shifting of Headquarter of a Government Servant.

(34.2) Govt. High School Haroon abad District Bahawalnagar – Rs.309,720/-.

(34.4) Government Model High School Canal Colony Bahawalnagar – Rs.644,670/-.

(34.5) Government Girls High School Chak No.428/R Bahawalnagar – Rs.202,236/-

(34.6) Government Girls High School 8/FW Bahawalnagar – Rs.282,923/-.

49. Para No.42.5 Pages 43 & 44 of Audit Report for the year 2001-2002; Mis-Use of Government Vehicle and Non-Production of Log Books Recovery of Rs.662,504/-.

DEO (SE) Lahore, City Rs.96,278/-.

50. Para No.44 Page 45 of Audit Report for the year 2001-2002; Un-Authorized/Irregular Drawal of Pay of Un-Trained Teachers Rs.591,797/-.

(44.3) Government High School Baba Hussain (Distt Mandi Bahaud-Din) – Rs.22,905/-.

(44.4) Government Girls High School Seetpur (Distt Muzaffargarh) – Rs.254,005/-.

51. Para No.46.7 Pages 46 & 47 of Audit Report for the year 2001-2002; Irregular Expenditure Out of Students Funds Amounting to Rs.529,416/-.

Govt. High School Chak No.139-A/TDA Layyah – Rs.63,240/-.
52. Para No.47 Pages 47 & 48 of Audit Report for the year 2001-2002; Irregular Payment of Rs.495,107/- on Account of Incentive Package. Recovery Thereof.
53. Para No.49.1 Page 49 of Audit Report for the year 2001-2002; Payment of Rs.466,929/- Due to Change of Cadre Without Sanction of Competent Authority

Govt. City High School Bahawalnagar – Rs.197,862/-.
54. Para No.51.2 Page 50 of Audit Report for the year 2001-2002; Irregular Drawal of Pay Rs.410,967/-.

Govt. High School Haroonabad – Rs.58,809/-.
55. Para No.53.2 Page 52 of Audit Report for the year 2001-2002; Irregular Expenditure From Farooq-E-Taleem Fund Worth Rs.283,349/-.

Govt. Millat High School Mughalpura Lahore – Rs.80,000/-.
56. Para No.58.2 Page 56 of Audit Report for the year 2001-2002; Irregular Expenditure on Repair of Vehicles Rs.145,652/-

DEO (SE) Lahore City – Rs.54,274/-.
57. Para No.68.2 Page 63 of Audit Report for the year 2001-2002; Irregular Drawal of Pay and Allowances of Rs.105,549/-.

Government Girls High School Chak No.9/FW District Bahawalnagar – Rs.15,449/-.
58. Para No.76 Page 69 of Audit Report for the year 2001-2002; Irregular Drawal of Pay and Allowances Rs.66,158/-
59. Para No.79 Pages 70 & 71 of Audit Report for the year 2001-2002; Irregular Expenditure on Repair of Vehicle Rs.63,859/-

27.02.2006 The department explained that the departmental contention had been verified by audit from supporting record.

On the recommendation of Audit, the paras were settled.

60. Para No.8 Page 16 of Audit Report for the year 2001-2002; Loss of Rs.1,147,444/- Due to Shortage of Library Books.

28.02.2006 The Department explained that the books were lost during 1924 to 2001 as proper stock taking of books was not carried out during this period. This loss comprised on the period of 76 years, so the real loss to the library come to 0.23% per annum which had been within the permissible limit according to the UGC/HEC notification dated 21-2-1985 and the decision made by the BOG, Quaid-e-Azam Library, under the Chairmanship of Chief Secretary Punjab.

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

61. Para No.9 Pages 16 & 17 of Audit Report for the year 2001-2002; Non/Less Deposit of Tuition Fee Recovery of Rs.198,186/-.

(9.2) Govt. Girls High School Seet Pur (Distt. Muzaffargarh) – Rs.22,720/-.

27.02.2006 Audit had pointed out that amounts of tuition fee realized from students were not deposited into Government Treasury.

The Department explained that Mrs. Mussarrat Jabeen, Ex, Incharge Headmistress Government Girls High School Seetpur M.Garh had granted excess fee concession. PTC classes were started in 1988-89 as per Government letter No.SO ((PEC) 6-35/Part-3 dated 11.3.88. There was no tuition fee for PTC Class. Only Union Fund, Red Cross Fund & Medical Fund amounting to Rs.8148/-were received and deposited into school fund.

The Department was directed to get write off excess fee concession and **para was settled subject to verification** of relevant record.

(9.3) Govt. Girls High School Manawala (Distt Sheikhupura) – Rs.22,378/-.

27.02.2006 Audit had pointed out that amounts of tuition fee realized from students were not deposited into Government Treasury.

The Department explained that DPI(SE) had asked the EDO (Edu) Sheikhupura to probe into the matter.

The Department was directed to finalize the probe at the earliest and **para was settled subject to verification** of recovery.

(9.4) Govt. Girls Higher Secondary School No.1 Bagh Sardaran Rawalpindi – Rs.33,930/-

27.02.2006 Audit had pointed out that amounts of tuition fee realized from students were not deposited into Government Treasury.

The Department explained that out of total recovery of Rs.33,930/-, a sum of Rs.25,280/- had been recovered and deposited into Government Treasury. Moreover, the recovery of remaining amount of Rs.8,650/- was impossible at this belated stage from the ex-students departed away in the past.

The Department was directed to get the irrecoverable amount written off and **para was settled subject to verification** of relevant record.

(9.6) Govt. Iqbal Model High School Bhiki (Distt Sheikhpura) – Rs.51,273/-.

27.02.2006 Audit had pointed out that amounts of tuition fee realized from students were not deposited into Government Treasury.

The Department explained that DPI(SE) had asked the EDO (Edu) Nankana Sahab to probe into the matter.

The Department was directed to finalize the probe at the earliest and **para was kept pending.**

62. Para No.10 Pages 17 & 18 of Audit Report for the year 2001-2002; Loss Due to Theft of Computers With its Accessories Valuing to Rs.198,000/-

18.05.2007 The Department explained that an FIR was lodged in the concerned police station and the matter was being investigated by the Police Department. In the meanwhile, the concerned Accounts Officer, Mr. Rana Zakirya managed to escape from the office fraudulently alongwith relevant record. The case was immediately reported to the Anti-corruption Establishment and the said Accounts Officer was still absconding. It was further stated that his services were also terminated from the department.

The Committee **kept the para pending** with the directions that the recovery as arrears of land revenue be made from the responsible accounts Officer.

63. Para No.11 Page 18 of Audit Report for the year 2001-2002; Non-Recovery of House Building Advance and GP Fund Advances of Rs.111,112/- from two Class IV Employees

18.05.2007 The Department explained that Mr. Haji Ahmed and Abdul Majeed class IV government servants were paid house building and GP Fund Advances in 1997 and both the officials had got premature retirements from the government service on 1.12.1998. It was also stated that the DDO had indicated the said recovery on the LPC but the District Accounts Officer could not recovered the said amount from their commutation. When both the officials were asked to deposit the said amount they filed write petition in the Lahore High Court, Bhawalpur Bench and as per decisions of the Hon'ble Court dated 22.5.2003, 1/3 of the petitioners' pension was being recovered against House Building Advance. So far as the GP Fund Advances were been concerned which had been deduct

at the time of final payment of GP Fund. The recovery of House Building Advance was under process as per installment fixed by the court.

The Committee **settled the para subject to** balance recovery.

64. Para No.14 Page 20 of Audit Report for the year 2001-2002; Loss to Govt. Rs.9,697,000/- (US \$ 263,822.90) Due to Non-Supply of Books

18.05.2007 Audit pointed out that a contract No.TEP/PUR/11/97-672 dated 20.11.1997 was awarded to M/s Blooming Industrial Development Services (Pvt) Islamabad for supply of books valuing US \$ 350,000 under Teacher Training Project and an amount of \$280,000 (90% of total) was paid to the contractor as advance which was irregular as only 10% of the total amount should have been given as advance under the existing rules and guidelines of ADB. The contractor failed to complete the assignment according to the agreement and only supply books valuing to \$135,980.75 in three installments from 16.9.1998 to 19.2.2000. Total amount of the contract was paid to the supplier/contractor after last date of delivery in violation of the agreement and thus government had to sustain loss.

The Department explained that the original record of the para was with the Directorate of Staff Development and requested that the Project Director be called in the next meeting.

The Committee observed that gross irregularities/misappropriation was involved in the Teachers Training Project and the Administrative Department had not exercised proper administrative control which resulted in huge loss to the Government. Moreover, the points raised by Audit in the paras had not been fully explained in the working papers submitted by the Department and necessary details were missing. After detailed consideration of matter the Committee deferred the consideration of the paras to 30th May 2007 with the directions that the concerned Additional Secretary Planning (who signed the settlement agreement), the Programme Director, the then Project Director, Directorate of Staff Development, Lahore, the concerned contractor and all other persons concerned with the matters raised in the said paras should appear before the Committee on 30 May 2007 alongwith all the relevant record /facts of the case.

The Committee kept the para pending.

30.05.2007 The Department explained that Foreign Books costing US\$ 350,000/- were purchased for Teacher Training Project with Assistance of Asian Development Bank and the contract was awarded to M/s. Blooming Industrial Development Services, Islamabad and 90% of total cost of books amounting to US\$135980.75 was paid to the contractor. Out of this amount, payment of US\$179,019.25 was illegal.

Meanwhile, several discrepancies were noticed and an FIR for non-supply of books was got registered against the contractor by the Special Secretary (S), Education Department. The Police Department referred the case to the ACE which initially

recovered US\$111,610/- from the responsables and the accused were put on Exit Control List. Later on the advice of the Finance Department and SBP, an amount of Rs. 6,509,620.99 was deposited into government treasury.

However, Education Department insisted for interest @6.46% on mis-appropriated amount. As the accused had already paid the Principal amount, he approached the ACE for settlement of the issue. The ACE showed its inability to recover the interest and presented three proposals which were submitted to the Chief Minister alongwith comments of the Education Department.

The Chief Minister desired that recovery of US\$105,908.13 should be ensured and written agreement be made for compromise between the parties and all the pending legal cases should be withdrawn by both sides.

Subsequently, on hectic efforts of ACE a compromise deed dated August 6, 2004 was signed between the Education Department and concerned contractor which was witnessed by the Additional Director H/quarters and Deputy Director Anti-corruption Establishment Punjab. The contractor paid all the outstanding amount and parties withdrew all the cases and the name of contractor was removed from ECL.

The Committee appreciated the efforts of ACE for recovering actual capital and interest rate thereon and **settled the para subject to verification** of recovered amount by Audit.

65. Para No.15 Page 21 of Audit Report for the year 2001-2002; Loss to Government Exchequer Amounting to Rs. 3,564,000/- due to Non-Recovery of Rent of Shops

18.05.2007 The Department explained that the case had been referred to the EDO(R), Lahore for ejectment/recovery of rent shops.

The Committee **kept the para pending** with the directions that a Committee consisted of EDO(R), EDO (E) and DPI (SE) be constituted to negotiate with the owner of khokhas for settlement of the issue in amicable manners.

66. Para No.16 Pages 21 & 22 of Audit Report for the year 2001-2002; Non-Refund of Unspent Balance of Rs.479,106/- on account of Repair & Maintenance of school buildings

18.05.2007 The Department explained that the DO (B), Mianwali had confirmed vide its letter No. 2322/PA dated 13.5.2002 that the remaining amount of Rs. 479,106/- was not utilized.

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

67. Para No. 20 Pages 24 & 25 of Audit Report for the year 2001-2002; Loss to Government Rs.9,667,000/- (US \$ 179,019) Due to Negligence

- 68. Para No.42.6 Pages 43 & 44 of Audit Report for the year 2001-2002; Mis-Use of Government Vehicle and Non-Production of Log Books Recovery of Rs.662,504/-**
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Teachers Training Project, Lahore Rs.44,173/-

- 69. Para No.54 Page 53 of Audit Report for the year 2001-2002; Infructuous Expenditure of Rs.272,315/- on Account of Costly Furniture Items Lying As Balance on 30-06-2001 in Permanent Stock Register**
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18.05.2007 The Department explained that the original record was with Directorate of Staff Development.

The Committee kept the paras pending for 30.5.2007.

30.05.2007 The Committee settled the above mentioned paras subject to verification of record by audit.

- 70. Para No.21 Page 26 of Audit Report for the year 2001-2002; Non-Finalization of Case Regarding Loss of Rs.500,000/- Due to Accident of Vehicle No.LHV-776**
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18.05.2007 The Department explained that the govt. Motor Vehicle No. LHV 776 was damaged in road accident. The report was lodged with the Police Station, Abbas Nager vide report No. 19 dated 20.2.2001. It was also stated that the District Education Coordinator, Bahawalpur appointed enquiry officer Mr. Abdul Hamid Malik Principal, Govt. Abbasia Higher Secondary School, Bahawalpur vide No. 588/B.1 dated 8.3.2001. The enquiry officer clearly declared that the accident was not the result of any negligence or carelessness of the Driver. Assistant Agricultural Engineer (Workshop) Bahawalpur had declared that the vehicle required heavy expenditure and its retention after repair could not be prolonging. Moreover, the Government had declared the said vehicle condemned on 17.2.2006.

The Committee settled the para subject to write off by Finance Department.

- 71. Para No.22 Pages 26 & 27 of Audit Report for the year 2001-2002; Illegal Occupation of School Land by the Qabza Group, Loss Amounting to Rs.200,000/- on Account of Rent**
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18.05.2007 The Department explained that a land of Punjab Govt. was available in Chak No. 140/P district RY Khan. The school building was constructed on the said land. The District Officer Revenue/District Collector, RY Khan transferred the land of 32 kanal & 7 marlas to Education Department for Govt. HS, Chak No. 140/P District RY Khan. It was also stated that the land occupied by the illegal occupant was not the assets of the school nor of the Education Department.

The Committee accepted the explanation of the department and the para was settled.

72. Para No.23 Pages 27 & 28 of Audit Report for the year 2001-2002; Loss to Government Amounting to Rs.140,776/- Due to Non Auction/Auction at Lesser Rates of Agriculture Land

18.05.2007 The Department explained that 3 acres of land of Auqaf Department was in possession of school out of which only one acre was cultivated and other two were barren land or being used as playgrounds. It was also stated that the one acre was not given on lease at market rate, but was cultivated by a farmer on share basis i.e. 1:2 as the farmer was to bear all the expenses of seed, fertilizers etc. The amount assumed by the audit was irrational. Moreover, the audit had admitted the receipts of Rs.2,924/- and the enquiry report received vide dated 25.1.2006 revealed that Rs.5424/- had been deposited in separate dates. The less deposited amount Rs.4576/- had been realized and deposited into Govt. Treasury vide No. dated 27.2.2007. It was also stated that now the land was being used by the Department.

The Committee accepted the explanation of the department and **the para was settled.**

73. Para No.24 Page 29 of Audit Report for the year 2001-2002; Irregular Drawl of Rs.1,047,290/- on Account of Pay and Allowances on the Basis of Bogus Appointments/Transfer/Adjustment Orders

(24.1) Govt. Iqbal Model High School Bhikhi Distt. Sheikhpura - Rs.992,444/-

18.05.2007 The Department explained that the said para consisted of five parts:-

1. Mr. Abdul Qadoos (Security Guard)

The appointment was made after advertisement in the newspaper Daily Jang. Mr. Abdul Qadoos applied for the said post and was appointed after fulfilling all formalities.

2. Mr. Abdul Razzak (DM)

Mr. Abdul Razzaq was appointed as DM by DEO (M) Sheikhpura vide order dated 14.3.1994. The point No. 7 in the appointment order clearly mentioned that if the candidate failed to join his duty within 14 days, his appointment order would stand cancelled. The DEO (M) Shiekhupura had extended the joining period vide order dated 1.4.1993.

3. Atta Ullah (EST)

Photocopy of medical fitness certificate was available. The original letter had been submitted to DAO with the pay bill.

4. Mr. Manzoor Hussain (SV)

The appointment order of Mr. Manzoor Hussain, SV had been got verified by audit.

5. Mr. Arif (EST)

The appointment orders of Mr. Arif, EST had been verified by DEO(SE), Sheikhpura. As regards medical certificate, photocopy of medical certificate and the original copy of bills had been submitted to the DAO.

The Committee **settled the part-I**. On the recommendation of audit and settled the rest of the 4, 2 to 5 subject to verification of audit.

(24.2) Govt. High School Ameerpur Saadat - Rs.48,846/-

18.05.2007 The Department explained that Mr. Ishtiaq Ahmed S/o Suleman Khan was transferred from Govt. Primary School, Kotla Hussain Shah, Tehsil Karor Pacca by the DEO (Lodhran) vide his order No. 35 dated 10.11.1996. The Headmaster joined and asked him to produce his original documents i.e. appointment/transfer orders, academic certificate for verification. Instead of providing these documents, he started to make lame excuses. After three months he produced the same. The H/master sent the same for verification. These were found bogus. It was also stated that the Director (Elem. Edu) was appointed Dy. DEO (M.EE) vide dated 30.6.1997 to probe the matter. According to enquiry report of the Dy. DEO(M/EE) Karor Pacca vide his No. 159/Admn-II dated 9.7.1997., the appointment orders, etc. were found bogus. Being authority in this case, the DEO had awarded major penalty i.e. removal from service vide order No. 312/enquiry dated 16.1.1999. The pay of the service period was not drawn from the DAO, Lodhran. During the departmental process Mr. Ishtiaq Ahmed filed a writ petition No. 10109/98 in the Lahore High Court, Multan bench Multan for his salary. The Hon'ble Court ordered on 30.10.1998 to pay the salary of Mr. Ishtiaq Ahmed. The salary for the duty period had been paid under the orders of the court.

The Committee **settled the para** with the directions that hence forthwith criminal proceedings be also initiated against such defaulters in future.

74. Para No.24.3 Page 29 of Audit Report for the year 2001-2002; Irregular Drawl of Rs.1,047,290/- on Account of Pay and Allowances on the Basis of Bogus Appointments/Transfer/Adjustment Orders**EO(SE) Pak Pattan. Rs.6,000/-****75. Para No.26.2 Page 31 of Audit Report for the year 2001-2002; Non-Entrance of Articles Amounting to Rs.653,682/- in the Stock Register****Govt. Higher Secondary School Lodharan, Layyah. Rs.21,192/-**

76. Para No.27 Pages 31 & 32 of Audit Report for the year 2001-2002; Irregular Release of Rs.235,000/- on Account of Maintenance/Repairs of Office Building-Recovery Thereof
77. Para No.33.2 Pages 36 & 37 of Audit Report for the year 2001-2002; Irregular/ Uneconomical Expenditure of Rs.697,420/-
Govt. Higher Secondary School, Lodhana Layyah, Rs.300,000/-
78. Para No.34.3 Pages 37 & 38 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1,915,604/- Due to Unauthorized Shifting of Headquarter of a Government Servant
Government Rizvia Islamia High School Haroon Abad District Bahawalnagar, Rs.429,316/-
79. Para No.35 Page 38 of Audit Report for the year 2001-2002; Irregular Appointments Amount Under Observation Rs.1,600,740/-
(35.1) Govt. Model High School Sadiqabad District Rahim Yar Khan, Rs.834,841/-
(35.2) Govt. Tameer-e-Milat High School Sadiqabad District Rahim Yar Khan, Rs.401,847/-
80. Para No.42 Pages 43 & 44 of Audit Report for the year 2001-2002; Mis-Use of Government Vehicle and Non-Production of Log Books Recovery of Rs.662,504/-
(42.1) Secretary to Govt. of the Punjab Education Department, Lahore Rs.138,629/-
(42.2) Secretary to Govt. of the Punjab Education Department, Lahore Rs.75,286/-
(42.3) Secretary to Govt. of the Punjab Education Department, Lahore Rs.87,891/-
(42.4) Secretary to Govt. of the Punjab Education Department, Lahore Rs.220,247/-
81. Para No.51 Page 50 of Audit Report for the year 2001-2002; Irregular Drawl of Pay Rs.410,967/-
(51.1) Govt. Girls Secondary School Chak Shafi District Pakpattan, Rs.352,158/-

82. **Para No.58 Pages 55 & 56 of Audit Report for the year 2001-2002; Irregular Expenditure on Repair of Vehicles Rs.145,652/-**
(58.1) Secretary to Govt. of the Punjab Education Department, Lahore Rs.91,378/-
83. **Para No.59 Pages 56 & 57 of Audit Report for the year 2001-2002; Unauthorized use of A.C-Recovery of Rs.132,000/-**
84. **Para No.62 Pages 58 & 59 of Audit Report for the year 2001-2002; Irregular Expenditure on Purchase of Electric Coolers, Rs.118,000/-**
(62.2) Govt. Girls High School, Phalia, Rs.20,000/-
85. **Para No.70 Pages 64 & 65 of Audit Report for the year 2001-2002; Irregular Purchase From Un-Registered Firm Without Having Sales Tax Invoices Rs.93,762/- Income Tax Not Deducted**
(70.2) Govt. Girls High School Phalia Distt. Gujrat, Rs.7,545/-
86. **Para No.75 Page 68 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of Printing Work Amounting to Rs.78,400/-**
(75.1) Govt. Junior Model School Gulberg, Lahore- Rs.35,825/-
87. **Para No.84 Pages 74 & 75 of Audit Report for the year 2001-2002; Non Production of Record Involving Lacs of Rupees**
88. **Para No.88 Pages 78 & 79 of Audit Report for the year 2001-2002; Non-Production of Expenditure Record in Support of Drawl of Rs.145,721/- From Student Funds**
89. **Para No.91 Pages 80 & 81 of Audit Report for the year 2001-2002; Non-Production of Disbursement Record of Rs.146,323/-**
90. **Para No.94 Page 83 of Audit Report for the year 2001-2002; Non Production of Record Amounting to Rs.1,193,925/-**
(94.2) Govt. High School Ali Razaabad, Lahore- Rs.54,213/-
(94.3) Govt. Islamia High School Sanat Nagar Lahore - Rs.190,323/-
(94.5) Govt. High School Sham-Ke-Bhattian, Multan Road, Lahore- Rs.114,140/-

91. Para No.95 Pages 83 & 84 of Audit Report for the year 2001-2002; Record Not Produced, Doubtful Expenditure of Rs.462,418/-

92. Para No.97 Page 85 of Audit Report for the year 2001-2002; Doubtful Expenditure of Rs.70,000/- on Account of Maintenance/Repair of Office Buildings

18.05.2007 The Department explained that the observation of audit in above mentioned paras had been properly addressed and record had also been got verified by audit.

On the recommendation of audit, the above mentioned **paras were settled.**

93. Para No.38 Pages 40 & 41 of Audit Report for the year 2001-2002; Irregular Expenditure Charged to Govt. of the Punjab Valuing Rs.950,000/-

27.02.2006 Audit had pointed out that an amount was charged to Government of Punjab in contravention of the provision of the PC-I.

The Department explained that the Departmental contention had been verified by Audit from supporting record.

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

94. Para No.63 Page 59 of Audit Report for the year 2001-2002; Irregular Drawal of Salary of Daily Wages Employees Rs.113,605/-.

27.02.2006 Audit had pointed out that three daily wages employees were appointed as revealed from the contingent paid vouchers whereas there was no such provision in PC-I.

The Department explained that the para was settled by the SDAC in its meeting held on 6.5.2003

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

95. Para No.64 Page 60 of Audit Report for the year 2001-2002; Irregular Appointment/Transfer and Payment of Salary Amounting to Rs.109,761/-.

28.02.2006 The Department explained that the official had been removed from service and he had preferred an appeal in the court of law but no final order/decision by court had been made so far.

The para was kept pending being subjudice.

96. **Para No.67 Page 62 of Audit Report for the year 2001-2002; Misuse of Vehicles. Defective Maintenance of Log Books Recovery of Rs.105,690/- .**

97. **Para No.98 Pages 85 & 86 of Audit Report for the year 2001-2002; Non Production of Record for Rs.64,485/-.**

27.02.2006 The Department explained that the paras were settled by the SDAC in its meeting held on 8-5-2003.

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

98. **Para No.78 Page 70 of Audit Report for the year 2001-2002; Irregular Drawal of Expenditure for Rs.64,393/-**

27.02.2006 Audit had pointed out that expenditure was drawn and shown incurred on account of repair/ POL charges of the vehicles not related to the project activities.

The Department explained that the para was settled by the SDAC in its meeting held on 19-6-2004. Moreover, vehicles in question were being used for project activities.

The Department was directed to get the logbooks verified by Audit and **para was settled subject to verification** of relevant record.

99. **Para No.84 Pages 74 & 75 of Audit Report for the year 2001-2002; Non Production of Record Involving Lacs of Rupees.**

27.02.2006 Audit had pointed out that the record relating to purchase / consumption of P.O.L was not produced for scrutiny.

The Department explained that the para was discussed by the SDAC in its meeting held on 8-5-2003 and was partly settled to the extent of vehicle No. LXP-244, LOD-5364, LOD-4803, LOD-4804, and LHX-1759. It was kept pending to extent of vehicle No. L XO-235, LHV-1251, LOD-4805 and LOD-4806 for verification of log books. The said logbooks were available for verification.

The Department was directed to get the logbooks verified by Audit and **para was conditionally settled subject to verification** of the requisite logbooks.

100. **Para No.93 Page 82 of Audit Report for the year 2001-2002; Non-Production of Record Valuing Rs.10,000,000/- (Staff Development).**

27.02.2006 Audit had pointed out that the record was not produced to Audit for verification.

The Department explained that the Departmental contention had been verified by Audit from supporting record.

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

**BOARD OF INTERMEDIATE & SECONDARY
EDUCATION SARGODHA**

Audit paras (Civil) for the year 2001-2002

1. **Para No.1 Page 116 of Audit Report for the year 2001-2002; Non-Accountal of Stores Items Valuing Rs.2,596,122/- of Printing Material Due to Non-Maintenance of Consumption Account.**

28.02.2006 The Department explained that the entire record i.e. stock register and consumption accounts had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

2. **Para No.2 Page 117 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,617,953/- Due to Non-Installation Separate Electric Meters in the Residential Colony.**

28.02.2006 The Department explained that the matter for installation of separate meters at residences was taken up with WAPDA/FESCO but the FESCO regretted to arrange for the installation of separate electric meters at the residences on plea that it will be a violation of original agreement as well as against the WAPDA policy.

It was also stated that more than 75% electricity was being consumed for official purposes and sub-meters had been installed at all the residences. All the resident consumers were charged at the WAPDA domestic rates as per actual consumption.

The Committee **settled the para subject to verification** of electricity bills by audit and also directed that separate meters be installed at the residences within 120 days.

3. **Para No.3 Page 118 of Audit Report for the year 2001-2002; Non-Deduction of Income Tax at Source Amounting to Rs.139,231/-.**

4. **Para No.6 Pages 120 & 121 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.834,000/- on Purchase of Toyota Hilux and Excess Payment of Rs.25,000/- Due to Purchase at Higher Rates.**

5. Para No.9 Page 125 of Audit Report for the year 2001-2002; Non Production of Record in Support of Rs.67,990/-.

28.02.2006 The Department explained that the paras were discussed in the SDAC meeting held on 13-14/12-2002 and were settled after verification of the record.

Audit verified the contention of the Department and recommended the paras for settlement.

The paras were settled.

6. Para No.4 Page 119 of Audit Report for the year 2001-2002; Irregular and Unjustified Expenditure Amounting to Rs.350,000/- on Account of Gas Charges

28.02.2006 The Department explained that in the light of the decision of the BOG dated 20-2-2004, the matter was taken up with Sui Northern Gas Pipelines Limited. The Agreement Deed for laying of gas pipelines for residential colonies had been entered into/signed on 20.12.2005. It was also stated that the residents were charged at the domestic rates as per actual consumption.

The Committee **settled the para subject to verification** of bills by audit and directed that separate meters be installed at the residences within 120 days.

7. Para No.5 Page 120 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,050,000/- on Purchase of White Paper Without Observing Codal Formalities.

28.02.2006 The Department explained that the record/invoices of GST and deposit of Income Tax had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

8. Para No.7 Pages 121 & 122 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.139,598/- on the Purchase of Latha Cloth Recovery of Rs.23,218/- on Account of Sales Tax and Income Tax.

28.02.2006 The Department explained that the notice for invitation of quotations for purchase of cloth was got published in the daily Nawa-i-Waqt, dated 11-12-2000 but no quotation was received till the appointed date and time. Keeping in view, time schedule of the examination, it was not possible to get another notice published in newspaper for the same purpose. Hence the cloth was purchased from open market by Purchase Committee constituted by the BOG after fulfilling all the codal formalities.

The Committee accepted the explanation of the department and **the para was settled.**

9. **Para No.8 Pages 123 & 124 of Audit Report for the year 2001-2002; Irregular and Uneconomical Expenditure of Rs.2,006,170/- on Purchase of Stationary, Other Stores and Recovery of Rs.91,935/- Due to Purchase at Higher Rates.**

28.02.2006 The Department explained that the record had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

BOARD OF INTERMEDIATE & SECONDARY EDUCATION GUJRANWALA

1. **Para No.1 Page 59 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.136,081/- on Residential Telephone of Minister for Education**

28.02.2006 The Department explained that the record had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

2. **Para No.2 Pages 59 & 60 of Audit Report for the year 2001-2002; Recovery of Rs.68,146/- on Account of Private Use of Vehicle.**

28.02.2006 The Department explained that the Chairman BISE, Gujranwala was allowed to use staff car free of cost upto 800 kms per month which had been got verified by audit. So far as the unauthorized use of vehicle was concerned there was difference between the audit and the department in calculation of the journey.

The Committee **kept the para pending** for verification of record by audit.

3. **Para No.3 Page 61 of Audit Report for the year 2001-2002; Irregular Payment of Rs.324,000/- as Grant-in-Aid to Headmaster's Association for Sports**

28.02.2006 The Department explained that the amount had been regularized by the BOG in its meeting held on 27-6-2003 which had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

4. **Para No.4 Page 62 of Audit Report for the year 2001-2002; Irregular Grant of House Building Advance and Non-Recovery Thereof Amounting to Rs.1,648,476/- (Reduced to Rs.141,876).**

28.02.2006 The Department explained that all the recoverable amounts had been recovered and deposited into the government treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

5. **Para No.5 Pages 62 & 63 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.846,664/- Due to Non-Maintenance of Telephone Call Registers**

28.02.2006 The Department explained that the certificate which showed that no private call was made from the telephone numbers of Secretary and Controller of Examination was available, however, the private calls made from the number of the Chairman had been got regularized by the Board.

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

6. **Para No.6 Page 63 of Audit Report for the year 2001-2002; Irregular Payment of Rs.826,415/- on Insurance Premium of Vehicles.**

28.02.2006 The Department explained that the vehicles were got insured in accordance with the government instructions from National Insurance Company of Pakistan, which was a government organization. However, from 2004 the payment of insurance premium of vehicle had been stopped.

The Committee **settled the para** with the directions that a uniform policy of insurance of vehicles be adopted in consultation with the Finance Department.

7. **Para No.7 Page 64 of Audit Report for the year 2001-2002; Loss to Board Due to Unauthorized Use of Vehicles Amounting to Rs.1,518,323/-.**

28.02.2006 The Committee noticed that the vehicles owned by various Boards of Intermediate & Secondary Education, were being used at the Secretariat level which resulted in Audit Objections.

After due consideration of the matter, the Committee directed that the Administrative Department should provide a list of all such vehicles which were being used at the Secretariat level but owned by various Boards of I & SE.

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

8. Para No.8 Pages 64 & 65 of Audit Report for the year 2001-2002; Irregular Excess Expenditure on Repair of Vehicles Amounting to Rs.568,289/-.

28.02.2006 The Department explained that an Inquiry Committee was constituted to thrash out the matter and in the light of the recommendations of the Inquiry Committee Rs.72,090/- had been recovered from the said car dealer and the balance amount was recoverable from the government employees. Out of which Rs.18,334/- had been recovered. The rest of the amount was recoverable from the following six employees:-

- A. 2 employee died
- B. 3 employee dismissed from service
- C. 1 employee retired.

The Committee **kept the para pending** with the directions that the recovery from dismissed employees be made as arrears of land revenue and the action be taken against the retired employee under the pension rules. So far as the amount related to the employees who had died be got written off by the competent authority.

**BOARD OF INTERMEDIATE & SECONDARY EDUCATION,
MULTAN**

1. Para No.1 Page 44 of Audit Report for the year 2001-2002; Non-Accountal of Stationary Articles Worth of Rs.333,039/-.

28.02.2006 The Department explained that the para was discussed in the SDAC meeting held on 21 to 23/8/2005 and was settled after verification by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

2. Para No.2 Page 45 of Audit Report for the year 2001-2002; Overpayment of Conveyance Allowance Amounting to Rs.103,159/-.

28.02.2006 The Department explained that the conveyance allowance was being paid in accordance with the government Letter No. FD.SR/19-16/21 dated 18.3.1990 and Governing Body's decision dated 25.5.1997. It was further stated that the recovery was related to the most of class-IV employees and department requested that the para may be settled on compassionate grounds.

The Committee **settled the para** on compassionate grounds and directed that the recovered amount be refunded to the concerned employees.

3. Para No.3 Page 46 of Audit Report for the year 2001-2002; Loss of Rs.125,023/- Due to Allotment of Quarters Above the Entitlement.

28.02.2006 The Department explained that the incompliance with the SDAC decision dated 18 to 20/01/2003, the Board of Governor had waived off the recovery against Mrs. Rifat Naz DPE. Moreover the para was settled by SDAC in its meeting held on 21 to 23/8/2003.

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

4. Para No.4 Pages 46 & 47 of Audit Report for the year 2001-2002; Non-Deduction of Income Tax at Source Amounting to Rs.91,574/-.

28.02.2006 The Department explained that the recovery at serial No. 1 to 4 for Rs.34,835/- had been got verified by audit and for item No. 5 Pakistan Security Printing Corporation had intimated vide letter dated 24-4-2004 that the tax amount was included in assessment order of 1998-99 and 1999-2000.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

5. Para No.5 Page 48 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.595,920/- on Account of Purchase of Furniture and Non Deposit of General Sales Tax Rs.595,920/-.

28.02.2006 The Department explained that the Finance Department had granted *ex-post facto* sanction and regularized the expenditure.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

6. Para No.6 Pages 48 & 49 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.885,055/- Incurred on Purchase of P.O.L. and Maintenance of Vehicles.

28.02.2006 The Department explained that incompliance with the directions of the SDAC, the matter had been referred to the Finance Department for regularization and the decision was still awaited.

The Committee **kept the para pending.**

BOARD OF INTERMEDIATE & SECONDARY EDUCATION BAHAWALPUR

1. **Para No.1 Page 22 of Audit Report for the Year 2001-02; Improper Accountal of Postage Stamps Valuing Rs.2,032,656/-**
2. **Para No.4 Page 26 of Audit Report for the Year 2001-02; Loss of Rs.275,600/- due to Non-Auction of Canteen & Cycle Stand**
3. **Para No.7 Page 28 of Audit Report for the Year 2001-02; Irregular Payment of Rs. 478,136/- on Account of Appointment During Ban**
4. **Para No.10 Page 30 of Audit Report for the Year 2001-02; Irregular Appointment without Qualification and Payment of Salary (Excluding Allowance) Amounting to Rs. 251,027/-**

30.05.2007 The Department explained that the observation of audit regarding above mentioned paras had been properly addressed and record had also been got verified by audit.

On the recommendation of audit, the above mentioned **paras were settled.**

5. **Para No.2 Page 24 of Audit Report for the Year 2001-02; Irregular Payment of Medical Allowances to the Pensioners Amounting to Rs. 135,180/-**

30.05.2007 The Department explained that the Secretary Education (Controlling Authority of Boards) had issued directions vide No. SO(Boards)1-69/95 dated 09.4.1996 to pay Medical Allowance @35% of the gross pension to the retired employees. It was also stated that Lahore High Court Lahore Bahawalpur Bench had also declared it valid in the writ petition No. 13069/95 dated 16.6.1997.

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

6. **Para No.3 Pages 24 & 25 of Audit Report for the year 2001-2002; Overpayment of Liveries/Washing Allowance to the Tune of Rs.77,580/-.**
7. **Para No.5 Pages 26 & 27 of Audit Report for the year 2001-2002; Loss of Rs.191,074/- Due to Non-Recovery of Electricity Charges at Bulk Supply Rates**

28.02.2006 The Department explained that the paras were discussed by the SDAC in its meeting held on 30-31/5/2003 and were settled after verification of record by audit.

Audit verified the contention of the Department and recommended the paras for settlement.

The paras were settled.

8. **Para No.6 Page 27 of Audit Report for the year 2001-2002; Non-Recovery of Water Charges Amounting to Rs.56,160/- From the Occupants of Board Residences**

28.02.2006 The Department explained that the para was discussed by the SDAC in its meeting held on 31-5-2003 and was settled.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

9. **Para No.8 Pages 28 & 29 of Audit Report for the year 2001-2002; Continuance of Service Without Regular Appointment Irregular Payment of Rs.474,133/-.**

28.02.2006 The Department explained that the services of Mr. Muhammad Bashir, Assistant had been regularized by the Board of Governors w.e.f. 01.07.1978. Moreover, the para was discussed in the SDAC meeting held on 31-5-2003 and was settled after verification of record.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

10. **Para No.9 Page 29 of Audit Report for the year 2001-2002; Irregular Appointment and Payment of Rs.451,220/- on Account of Salary Excluding Allowances**

28.02.2006 The Department explained that as per directions of the SDAC, the matter was referred to the S&GAD which had regularized the services of Mr. Mukhtar Ahmed Nadeem, Junior Clerk.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

11. **Para No.11 Page 31 of Audit Report for the year 2001-2002; Irregular Appointment/Promotion of Gun-Man and Payment of Salary as a Result Thereof to the Tune of Rs.179,897/-.**

12. **Para No.12 Pages 31 & 32 of Audit Report for the year 2001-2002; Locking Up of Capital of Rs.2,306,864/- on the Purchase of Computers With No Achievement of Target.**

- 13. Para No.14 Page 34 of Audit Report for the year 2001-2002; Non-Disposal of Raddi of Used Answer Books/Question Paper Valuing Rs.578,436/- Loss of Thousand of Rupees Use to Deterioration and Non-Recovery of Income Tax Rs.18,452/-**
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28.02.2006 The Department explained that the paras were discussed in the SDAC meetings held on 30-31/5/2003 and were settled after verification of record.

The Committee **settled the para subject** to balance recovery and its verification by Audit.

- 14. Para No.13 Pages 32 & 33 of Audit Report for the year 2001-2002; Irregular Purchase of House-Hold Effects Valuing Rs.146,000/- for Use at the Residence of the Chairman of Board.**
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28.02.2006 The Department explained that incompliance with the directions of SDAC meeting held on 31-5-2003 all the recovery had been affected and got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

BOARD OF INTERMEDIATE & SECONDARY EDUCATION, DG KHAN

- 1. Para No.1 Page 7 of Audit Report for the Year 2001-02; Overpayment of Medical Allowance to Pensioners Rs.216,936/-**
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30.05.2007 The Department explained that the Secretary Education (Controlling Authority of Boards) had issued directions vide No. SO(Boards)1-69/95 dated 09.4.1996 to pay Medical Allowance @35% of the gross pension to the retired employees. It was also stated that Lahore High Court Lahore Bahawalpur Bench had also declared it valid in the writ petition No. 13069/95 dated 16.6.1997.

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

- 2. Para No.2 Page 7 of Audit Report for the Year 2001-02; Overpayment of Rs. 106,823/- due to Irregular Award of Higher Scales to Drivers**
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30.05.2007 The Department explained that the para consisted of two parts:-

1- Hafiz Muhammad Sultan (Driver)

The Department explained that one step promotion in BS-8 was awarded to him on inception of DG Khan Board dated 11.5.1989 but the same was

withdrawn on 8.2.1992. Presently, the said driver was working in BS-6 (Selection Grade) which was in accordance with Finance Department letter No. SO(AB-III)1-32/89 dated 21.11.1990.

2. Hafiz Allah Wasaya (Driver)

The Department explained that the said driver was appointed on 26.3.1984 whereas the controlling authority clarified that the amendment in Section 10(4) of the Board Act that the provisions of this sub-section would be applicable to the employees recruited after 27.2.1985. Hence the privilege permissible to the employees could not be withdrawn as per Education Department letter No. SO(Board)1-55/81 dated 31.7.1985. As Hafiz Allah Wasaya was recruited by Multan Board before the above said date. Therefore, his appointment in BS-8 was in accordance with rules.

The Committee **kept the para pending** for verification of record by Audit.

3. Para No.3 Page 8 of Audit Report for the Year 2001-02; Irregular & Unjustified Payment of Fixed Late Sitting Allowance to Drivers Rs. 86,400/-

30.05.2007 The Department explained that the Late Sitting Allowance @Rs.800/- monthly was being provided to the drivers on the basis of Board decision in its meeting held on 8.4.1995 under items No. 6 keeping in view, the hectic duties performed by the drivers.

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

4. Para No.4 Page 9 of Audit Report for the Year 2001-02; Non-Adjustment of advances Amounting to Rs.261,000/- Amount Reduced to Rs.134,500/-

5. Para No.6 Page 11 of Audit Report for the Year 2001-02; Uneconomical Purchase of Stores without Calling Quotations Rs.353,342/-

30.05.2007 The Department explained that the observation of audit regarding above mentioned paras had been properly addressed and record had also been got verified by audit.

On the recommendation of audit, the above mentioned **paras were settled.**

6. Para No.5 Page 10 of Audit Report for the Year 2001-02; Non-Execution of Mortgage Deeds Un-Secured Payment of House Building Advance Rs.658,200/-

30.05.2007 The Department explained that incompliance of the decision of SDAC meeting dated 10.3.2003, the issue was placed before the BOG in its meeting held on 3.4.2003 under item No. 10 for consideration. The Board discussed the issue in detail and agreed to the proposal of the office that advance up to Rs.50,000/- would be granted on

personal guarantee of at least two regular employees of the Board on judicial stamp paper. During the period of incumbency, the property so acquired through advance granted by the Board would not be transferable until the retrieval of entire advance. This decision was effective with retrospective effect. The personal guarantee/affidavit from the concerned employees for the year 2000-2001 had been obtained that could be verified from the record.

The Committee **settled the para** on the assurance of the Chairman that no default would be made in future.

BOARD OF INTERMEDIATE & SECONDARY EDUCATION FAISALABAD

1. **Para No.1 Page 90 of Audit Report for the year 2001-2002; Un-Authorized Use of Board's Vehicles by Secretary Education and Irregular Expenditure Amounting to Rs.99,651/-.**
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28.02.2006 The Committee noticed that the vehicles owned by various Boards of Intermediate & Secondary Education, were being used at the Secretariat level which resulted in Audit Objections.

After due consideration of the matter, the Committee directed that the Administrative Department should provide a list of all such vehicles which were being used at the Secretariat level but owned by various Boards of I & SE.

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

2. **Para No.2 Page 91 of Audit Report for the year 2001-2002; Non-Recovery of Rs.142,796/- on Account of Private Use of Vehicle.**
 3. **Para No.3 Pages 91 & 92 of Audit Report for the year 2001-2002; Non-Verification of Income Tax Challans Amounting to Rs.325,609/- and Non-Deduction of Income Tax from Legal Advisor Valuing Rs.29,854/-.**
 4. **Para No.6 Page 95 of Audit Report for the year 2001-2002; Irregular Grant of Advances Worth Rs.379,009/- Without Observing Codal Formalities.**
 5. **Para No.7 Page 96 of Audit Report for the year 2001-2002; Un-Justified Payment of Rs.1,267,555/- on Account of Late Sitting Allowance.**
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28.02.2006 The Department explained that the paras were discussed in the SDAC meeting held on 3-4/01/2003 and were settled after verification of record by audit.

Audit verified the contention of the Department and recommended the paras for settlement.

The paras were settled.

6. Para No.4 Page 93 of Audit Report for the year 2001-2002; Irregular Payment of Sales Tax Amounting to Rs.1,483,494/- Without Obtaining Sales Tax Invoice.

28.02.2006 The Department explained that the para consisted of two parts:-

1. Sales Tax of Rs.1,483,494/-

The Department explained that the sales tax invoices produced by the firms were available for verification.

The Committee settled this part subject to verification of sales tax invoices by audit.

2. Income tax of Rs.3,25,609/-

The Department explained that this part was discussed by the SDAC in its meeting held on 3-4/1/2003 and was settled after verification of record.

Audit verified the contention of the Department and recommended this part for settlement.

This part was settled.

7. Para No.5 Pages 93 & 94 of Audit Report for the year 2001-2002; Non-Adjustment of Advances Amounting to Rs.7,720,919/-.

28.02.2006 The Department explained that out of total amount of Rs.7,720,919/- a sum of Rs.7,230,492/- had been adjusted and hectic efforts were being made for adjustment of the remaining amount.

The para was kept pending till finalization of the adjustment.

**BOARD OF INTERMEDIATE & SECONDARY EDUCATION
RAWALPINDI**

1. Para No.I Page 74 of Audit Report for the year 2001-2002; Non/Less Realization of Examination Fee Amounting to Rs.3,698,697/-.

28.02.2006 The Department explained that the amount outstanding against the candidates was extended over to 94 examinations conducted by the Board since 1978. The matter was placed before the BOG on 27.1.2005 which referred it to the Finance Committee for appropriate recommendations. The Finance Committee in its meeting held on 11.3.2005 had recommended for write off the requisite outstanding amount of fee which was approved by the Board of Governors in its meeting held on 21-6-2005. It was also stated

that the candidates who had deposited less examination fee had not availed any benefit from the Board, the results of such candidates had been with-held by the Board.

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

2. Para No.2 Pages 74 & 75 of Audit Report for the year 2001-2002; Loss of Rs.605,000/- Due to Accident of Vehicle No.RIV-8960 and Non-Receipt of Insurance Claim Valuing Rs.605,000/-.

28.02.2006 The Department explained that a formal inquiry was initiated and the concerned driver was acquitted. Moreover, the National Insurance company had remitted Rs.530,000/- to the Board as the cost of the said accidental vehicle. The deposit slip had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

3. Para No.3 Pages 75 & 76 of Audit Report for the year 2001-2002; Irregular Payment of Increments Amounting to Rs.180,569/- to the Contract Paid Employees

28.02.2006 The Department explained that under Service Regulation 46 of the Board's calendar, the confidential press staff was entitled for such benefits.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

4. Para No.4 Page 76 of Audit Report for the year 2001-2002; Irregular Deduction of Service Charges by the Bank Loss of Rs.51,700/-.

28.02.2006 The Department explained that the Bank had stopped further deduction of service charges. However, efforts were being made for refunding the amount of Rs.51,700/-.

The para was kept pending.

5. Para No.5 Page 77 of Audit Report for the year 2001-2002; Non-Adjustment of Advances Valuing Rs.5,354,057/-.

28.02.2006 The Department explained that Rs.268,800/- was recoverable from ex-Transport Officer Mr. Muhammad Saddiq Khan Niazi, who was retired from service on the recommendations of Medical Board in category –A w.e.f. 17-8-2005. It was also

stated that his commutation/pension dues proportional to the amount of advance had been with-held. Rs.32,000/- was recoverable from ex-Transport Officer who had expired in a road accident in 1988. The Department further stated that cases for write off sanction had been prepared which would be presented in the next meeting of the Board of Governors.

The para was kept pending.

- 6. Para No.6 Pages 77 & 78 of Audit Report for the year 2001-2002; Irregular Transfer and Non-Deposit of Auction Money Valuing Rs.257,500/- Against Vehicle No.RIP-6223/-.**
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28.02.2006 The Committee noticed that the vehicles owned by various Boards of Intermediate & Secondary Education, were being used at the Secretariat level which resulted in Audit Objections.

After due consideration of the matter, the Committee directed that the Administrative Department should provide a list of all such vehicles which were being used at the Secretariat level but owned by various Boards of I & SE.

The para was conditionally settled subject to deposit of auction money in the Board's Account and its verification by Audit.

- 7. Para No.7 Page 79 of Audit Report for the year 2001-2002; Irregular Drawal of Pay & Allowance Amounting to Rs.880,320/- Appointment of A Grade-19 Officer In BPS-18 Against Post of Controller.**
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28.02.2006 The Department explained that the pay & allowance drawn from the Board by Mr. Mamoon Abbas Khan, Associate Professor had been regularized by the Finance Department.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 8. Para No.8 Page 80 of Audit Report for the year 2001-2002; Lavish Expenditure of Rs.2,971,440/- As Rent on Hiring of Six Buildings.**
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28.02.2006 The Department explained that the work for the construction of the Board's campus had been started by the Building Department as per approval of the Government.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

9. Para No.9 Page 81 of Audit Report for the year 2001-2002; Non-Deposit of Profit Accrued on Term Deposit Receipt TDR/PLS Into Board's Account (Amount Not Assessed).

28.02.2006 The Department explained that the practice of maintaining endowment funds jointly with the name of the Board and Institution concerned was already in vogue in the Board under the relevant regulation and rules of the Board. The Board confirmed the recommendation of PBCC in its meeting held on 21-01-2003. According to this the Endowment Fund was invested in profitable schemes at the ratio of 50:50. After hectic efforts this office had served a notice to the Banks to re-invest 115 SNTDs while 35 TDRs were under process because most of the head of Institutions were out of contact and as soon as they were contacted these TDRs would be reinvested and the profit accumulated on the invested TDRs would be got credited to the Board's Account after paying the share of profit to the Institution concerned. Four Institutions had been closed and five institutions were granted permanent affiliation by Sargodha Board as these were established before the existence of this Board. Moreover, the Institutions as well as Board was not suffering any loss because the profit on SNTDs was calculated to be paid at the time of encashment after serving the 30 days notice. Due to shortage of staff and load of increasing work, this gigantic exercise could not be carried in time however; the persons at fault had been warned to be careful in future.

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

BOARD OF INTERMEDIATE & SECONDARY EDUCATION LAHORE

1. Para No.1 Page 105 of Audit Report for the year 2001-2002; Recovery of Rs.527,000/-.

28.02.2006 The Department explained that an inquiry was conducted into the matter and the officers who were found responsible, were compulsorily retired from service and the loss of Rs.527,000/- had been recovered/adjusted from the computation/gratuity of the officers. It was also stated that an inquiry was also under process in the FIA.

The Committee **settled the para** without prejudice to the criminal proceedings of the case.

2. Para No.2 Page 106 of Audit Report for the year 2001-2002; Non-Adjustment of Advance Amounting to Rs.8,857,963/- (Para Reduced to Rs.5,514,934).

28.02.2006 The Department explained that the para was discussed in the SDAC meeting held on 21.9.2004 and was reduced to Rs.590,000/- after verification of adjustments.

The Committee **kept the para pending** with the directions that the balance recovery be made and got verified by Audit.

3. Para No.3 Page 107 of Audit Report for the year 2001-2002; Irregular Expenditure on Running of Vehicles Valuing Rs.109,848/-.

28.02.2006 The Department explained that in compliance with the decision of the SDAC meeting held on 7.2.2003, the case for regularization of the amount had been referred to the Finance Department.

The Committee **kept the para pending.**

EXCISE & TAXATION

The paras were discussed in the meetings of PAC-II held on 16.01.2006, 17.01.2006 & 19.03.2007.

Audit Paras (Commercial) for the Year 2001-2002 (Alkaloid Factory)

**1. Para No.45- Page 49 of Commercial Accounts for the year 2001-2002;
Working Results**

16.01.2006 The Department explained that the accounts for the year 2001-2002 had been compiled by the organization and submitted to Audit on 23-6-2004 for verification.

Audit contended that the accounts had not yet been received by him.

The Committee **kept the para pending** with the directions that the accounts be got verified by Audit before the next meeting and also directed that Director Commercial Accounts should be present in the next meeting.

**2. Para No.46 Page 50 of Commercial Accounts for the year 2001-2002:-
Working Results**

16.01.2006 The Department explained that the quantity of 13814.608 kgs of OPIUM was bad quality opium and the use of this opium was totally harmful for human consumption. The factory had taken up the case with the competent authority i.e. Secretary, Narcotics, Government of Pakistan to destroy it by burning.

The Committee **kept the para pending** with the directions that the opium be disposed off before the next meeting.

**3. Para No.47 Page 51 of Commercial Accounts for the year 2001-2002:-
Working Results**

16.01.2006 The Department explained that the opium issued for tablet manufacturing was issued to Government of Punjab, Excise & Taxation Department on credit basis from Grant No. 3 to Grant No. 01 (OPIUM), which was adjusted according to sanctioned budget of the year. Excess amount which was not adjusted during the financial year was brought forwarded to the next year as Sundry debtor. The excess amount had been adjusted during the financial year 2001-2002.

The Committee **kept the para pending** for verification by Audit.

**4. Para No.48 Page 51 of Commercial Accounts for the year 2001-2002:-
Working Results**

16.01.2006 The Department explained that the accounts of the Government Opium Factory had been reconciled in each year timely and the reconciliation statements were ready for verification.

The Committee **kept the para pending** for verification by Audit.

**5. Para No.49 Page 51 of Commercial Accounts for the year 2001-2002,
Working Results**

16.01.2006 The Department explained that physical verification of opium stocks had been carried out timely by ending of each year by the Management.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

**6. Para No.50 Page 51 of Commercial Accounts for the year 2001-2002,
Working Results**

16.01.2006 The Department explained that the store accounts had been prepared only on opium receipt/issued basis and it could not be depreciated, as it was a raw material. The financial accounts were prepared on commercial pattern as advised by the audit.

The Committee **kept the para pending** for verification by Audit.

Audit Paras (Revenue Receipts) for the year 2001-2002

1. Para No.1.1 Pages 13, 14 & 15 of Audit Report for the year 2001-2002; Short-Fall in Revenue Due to Ambiguous Provisions of Law Rs.87.827 Million.

16.01.2006 The Department explained that the provision in question was inserted only for a period of five years w.e.f. 01.7.2001 on the decision of Provincial Cabinet taken in its meeting held on 26.2.2004 in ordered to provide relief to the sick cinemas. The relief remained operative for a period of three years. Later on the provincial cabinet exempted all the cinemas of the Punjab for the payment of entertainment duty for a period of two years w.e.f. 1.7.2004 to 30.6.2006.

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

2. Para No.1.2 Pages 15, 16, 116, 117, 118, 119 & 120 of Audit Report for the year 2001-2002; Non-Recovery of Property Tax in Respect of Units Owned by WAPDA, PTCL and Other Autonomous Bodies Rs.39,269,908/-.
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(Paras relating to PTCL)

(PDP No.7268) ETO-I, Gujranwala-Rs.615,967/-.

(PDP No.7589) ETO-Zone-III, Lahore-Rs.449,212/-.

(PDP No.7632) ETO-Zone-VIII, Lahore-Rs.442,362/-.

(PDP No.7716) ETO, Jhang-Rs.409,844/-.

(PDP No.7364) ETO, Sialkot-Rs.386,737/-.

(PDP No.7240) ETO, Bahawalpur -Rs.322,919/-.

(PDP No.7315) ETO-I, Multan-Rs.314,690/-.

(PDP No.7233) ETO, R. Y. Khan-Rs.305,872/-.

(PDP No.7274) ETO-III, Gujranwala-Rs.252,095/-.

(PDP No.7115) ETO, Khushab-Rs.221,814/-.

(PDP No.7325) ETO-III, Multan-Rs.209,321/-.

(PDP No.7156) ETO, Chakwal-Rs.185,507/-.

(PDP No.7660) ETO, Vehari-Rs.179,923/-.

(PDP No.7457) ETO-Zone-VI, Lahore-Rs.172,009/-.

(PDP No.7451) ETO-Zone-V, Lahore-Rs.167,575/-.

(PDP No.7500) ETO, Gujrat-Rs.150,532/-.

(PDP No.7471) ETO-Zone-IX, Lahore-Rs.142,911/-.

(PDP No.7546) ETO, D. G. Khan-Rs.129,816/-.

(PDP No.7434) ETO-Zone-I, Lahore-Rs.113,220/-.

(PDP No.7464) ETO-Zone-VII, Lahore-Rs.111,246/-.

(PDP No.7849) ETO, Muzaffargarh-Rs.95,125/-.

(PDP No.7282) ETO-III, Gujranwala-Rs.87,437/-.

(PDP No.7640) ETO, Sahiwal-Rs.86,100/-.

(PDP No.7503) ETO, M. B. Din-Rs.85,065/-.

(PDP No.7444) ETO-Zone-IV, Lahore-Rs.58,760/-.

(PDP No.7441) ETO-Zone-II, Lahore-Rs.57,341/-.

(PDP No.7136) ETO, Attock-Rs.39,731/-.

(PDP No.7407) ETO, Pakpattan -Rs.38,603/-.

(PDP No.7674) ETO, Khan-e-Wal-Rs.32,417/-.

(PDP No.7495) ETO-Zone-XI, Lahore-Rs.21,044/-.

(PDP No.7652) ETO, Bahawalnagar-Rs.15,249/-.

(PDP No.7183) ETO-I, Rawalpindi-Rs.3,864,314/-.

(PDP No.7196) ETO-III, Rawalpindi-Rs.188,024/-.

(PDP No.7346) ETO, Kasur-Rs.64,549/-.

(PDP No.7393) ETO, Okara-Rs.16,683/-.

(PDP No.7895) ETO, Sheikhpura-Rs.25,305/-.

(Paras relating to WAPDA)

(PDP No.7432) ETO-Zone-I, Lahore-Rs.832,224/-.

(PDP No.7653) ETO, Bahawalnagar-Rs.219,016/-.

(PDP No.7450) ETO-Zone-V, Lahore-Rs.206,290/-.

(PDP No.7270) ETO-I, Gujranwala-Rs.189,970/-.

(PDP No.7276) ETO-II, Gujranwala-Rs.174,058/-.

(PDP No.7631) ETO-Zone-VIII, Lahore-Rs.172,945/-.

(PDP No.7591) ETO-Zone-III, Lahore-Rs.172,472/-.

(PDP No.7656) ETO, Vehari-Rs.125,581/-.

(PDP No.7641) ETO, Sahiwal-Rs.80,157/-.

(PDP No.7473) ETO-Zone-IX, Lahore-Rs.55,628/-.

(PDP No.7285) ETO-III, Gujranwala-Rs.53,368/-.

(PDP No.7483) ETO-Zone-X, Lahore-Rs.51,871/-.

(PDP No.7585) ETO-Zone-XII, Lahore-Rs.51,027/-.

(PDP No.7458) ETO-Zone-VI, Lahore-Rs.50,237/-.

(PDP No.7228) ETO, Jehlum-Rs.33,891/-.

(PDP No.7293) ETO, Hafizabad-Rs.25,005/-.

(PDP No.7498) ETO, Gujrat-Rs.22,532/-.

(PDP No.7497) ETO-Zone-XI, Lahore-Rs.10,530/-.

(PDP No.7183) ETO-I, Rawalpindi -Rs.3,864,314/-.

(PDP No.7345) ETO, Kasur-Rs.112,168/-.

(PDP No.7393) ETO, Okara -Rs.16,683/-.

16.01.2006 The Department explained that the Lahore High Court, Lahore had decided the cases in favour of department regarding PTCL in December 2005 and accordingly the notices for recovery had been issued to the PTCL Authorities. So far as the cases in respect of WAPDA was concerned, the recovery had been waived off by the court.

The Committee **kept the PDPs pending** related to the PTCL with the direction that the recovery be made at the earliest and the PDPs regarding WAPDA were settled in the light of the explanation of the Department.

3. **Para No.1.2 Pages 15, 16 & 116-120 of Audit Report for the year 2001-2002; Non-Recovery of Property Tax in Respect of Units Owned by WAPDA, PTCL and Other Autonomous Bodies Rs.39,269,908/-.**

(Autonomous Bodies)

(Para relating to LDA/MDA/DDA/RDA/PMA/PRTC/PRTB)

(PDP No.7588) ETO-Zone-III, Lahore-Rs.17,956,954/-.

(PDP No.7319) ETO-II, Multan-Rs.832,361/-.

(PDP No.7633) ETO-Zone-VIII, Lahore-Rs.563,946/-.

(PDP No.7313) ETO-I, Multan-Rs.457,032/-.

(PDP No.7154) ETO, Chakwal-Rs.369,876/-.

(PDP No.7315) ETO-I, Multan-Rs.314,690/-.

(PDP No.7792) ETO-I, Faisalabad-Rs.291,600/-.

(PDP No.7452) ETO-Zone-V, Lahore-Rs.146,370/-.

(PDP No.7463) ETO-Zone-VIII, Lahore-Rs.1,370,250/-.

(PDP No.7546) ETO, D. G. Khan-Rs.129,816/-.

(PDP No.7478) ETO-Zone-IX, Lahore-Rs.99,372/-.

(PDP No.7794) ETO-I, Faisalabad-Rs.50,493/-.

(PDP No.7586) ETO-Zone-XII, Lahore-Rs.38,500/-

(PDP No.7183) ETO-I, Rawalpindi-Rs.3,864,314/-

16.01.2006 The Department explained that the development authorities etc. claiming exemption did not fall with in the definition of local authorities under the law. The outstanding amount was recoverable against the development authorities which was claiming itself a Local Authority exempted from the payment of property tax. The

Department had filed an appeal in the Supreme Court against the verdict of the Lahore High Court, Lahore. Since the matter regarding development authorities etc. were being adjudicated upon by the courts, therefore recovery could not be effected. On a query, from the Committee the department stated that the leave was not yet been granted by the Supreme Court in the case.

The Committee **kept the PDPs pending** being subjudice.

4. **Para No.1.2 Pages 15 & 16 of Audit Report for the year 2001-2002; Non-Recovery of Property Tax in Respect of Units Owned by WAPDA, PTCL and Other Autonomous Bodies Rs.39,269,908/-.**
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(Paras relating to Market Committee)

(PDP No.7236) ETO, R. Y. Khan-Rs.336,518/-.

(PDP No.7105) ETO, Sargodha-Rs.312,331/-.

(PDP No.7635) ETO, Sahiwal-Rs.237,172/-.

(PDP No.7546) ETO, D. G. Khan-Rs.129,816/-.

(PDP No.7657) ETO, Vehari -Rs.101,739/-.

(PDP No.7651) ETO, Bahawalnagar-Rs.96,228/-.

(PDP No.7673) ETO, Khan-e-wal-Rs.87,802/-.

(PDP No.7405) ETO, Pakpattan Sharif-Rs.74,100/-.

(PDP No.7856) ETO, Lodhran-Rs.58,704/-.

(PDP No.7292) ETO, Hafizabad-Rs.46,042/-.

(PDP No.7277) ETO-II, Gujranwala-Rs.38,205/-.

(PDP No.7248) ETO, Bahawalpur-Rs.29,430/-.

(PDP No.7119) ETO, Khushaab-Rs.21,666/-.

(PDP No.7287) ETO, Gujranwala-Rs.13,359/-.

(PDP No.7390) ETO, Okara-Rs.165,310/-.

(PDP No.7892) ETO, Sheikhupura-Rs.63,396/-.

16.01.2006 The Department explained that the recoveries were outstanding against Market Committees, Rahim Yar Khan, Sargodha, Sahiwal, DG Khan, Vehari, Bahawalnagar, Khanewal, Pakpattan, Lodhran, Hafizabad, Gujranwala, Bahawalpur, Multan, Khushab, Okara and Sheikhupura respectively. It was further stated that the matter was subjudice in the court of law.

The Committee **kept the PDPs pending** being subjudice.

(PDP No.7634) ETO-Zone-VIII, Lahore-Rs.991,285/-.

16.01.2006 The Department explained that a sum of Rs.538,742/- had been recovered and efforts were being made to recover the balance amount.

The Committee **kept the PDPs pending** with the directions that the recovery be made at the earliest.

(PDP No.7455) ETO-Zone-VI, Lahore -Rs.284,769/-.

16.01.2006 The Department explained that the property was owned by the government therefore the property tax was not due.

Audit verified the contention of the department and recommended the PDP for settlement.

The para was settled.

(PDP No.7480) ETO-Zone-X, Lahore -Rs.190,742/-.

The Department explained that the entire amount had been recovered and got verified by audit.

Audit verified the contention of the department and recommended the PDP for settlement.

The para was settled.

(PDP No.7636) ETO, Sahiwal-Rs.138,845/-.

16.01.2006 The Department explained that the property tax was due against the property units owned by Finance Corporation and now possessed by Punjab Liquidation Board. The Board had been requested to make payment of all the dues of property tax.

The Committee **kept the PDP pending** with the directions that the recovery be made at the earliest.

(PDP No.7321) ETO-II, Multan -Rs.135,991/-.

16.01.2006 The Department explained that the matter in this regard was being adjudicated upon by the Supreme Court.

The Committee **kept the PDP pending** being subjudice.

(PDP No.7456) ETO-Zone-VI, Lahore -Rs.120,968/-.

16.01.2006 The Department explained that Rs.118,857/- had been recovered and Rs.2,111/- were not due.

Audit verified the contention of the Department and recommended the PDP for settlement.

The para was settled.

(PDP No.7481) ETO-Zone-X, Lahore -Rs.98,110/-.

16.01.2006 The Department explained that the amount was not due as per the exemption certificate issued by the competent authority.

Audit verified the contention of the Department and recommended the PDP for settlement.

The para was settled.

(PDP No.7492) ETO-Zone-XI, Lahore -Rs.74,267/-.

16.01.2006 The Department explained that the entire amount had been recovered and got verified by Audit on 8-6-2002.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled.

(PDP No.7296) ETO-I, Gujranwala-Rs.71,249/-.

16.01.2006 The Department explained that Board of Revenue had exempted the PRTB from Property Tax and an amount of Rs.28,800/- had already been recovered.

The Committee **settled the para subject to verification** of departmental contention by Audit.

(PDP No.7437) ETO-Zone-I, Lahore -Rs.28,510/-.

16.01.2006 The Department explained that recovery against Evacuee Property Trust Board was not due as it qualified for exemption from payment of property tax being a government institution.

The Committee accepted the departmental explanation and **settled the PDP.**

(PDP No.7485) ETO-Zone-X, Lahore -Rs.24,878/-.

16.01.2006 The Department explained that the Board of Intermediate and Secondary Education, Lahore, had filed an appeal for exemption of tax.

The decision on the appeal was still awaited.

The Committee **kept the para pending**.

(PDP No.7185) ETO-I, Rawalpindi -Rs.553,249/-.

16.01.2006 The Department explained that the entire amount had been recovered and got verified by Audit on 8-6-2002.

Audit verified the contention of the department and recommended the para for settlement.

The PDP was settled.

5. **Para No.1.3 Pages 16, 17 & 18 of Audit Report for the year 2001-2002; Non-Realization of 15 Per Cent Provincial Government Share of Property Tax From Cantonment Board- Rs.15,279,564/-.**

16.01.2006 The Department explained that a note had been submitted to the Finance Department for deduction of 15% provincial government share of property tax from *octori* of the cantonment board.

The Committee **kept the para pending** with the directions that the matter be resolved at the earliest.

6. **Para No.1.4 Pages 18 & 121 of Audit Report for the year 2001-2002; Non-Realization of Property Tax by Non-Enforcing Provisions of Law Rs.9,173,900/-**

17.01.2006 Audit pointed out non-realization of property tax by non-enforcing provisions of law of Rs.9,173,900/-.

(PDP No.7230) ETO, R. Y. Khan-Rs.1,271,124/-.

17.01.2006 The Department explained that the tax was against a mill of Rahim Yar Khan which was closed 15 years ago and a sum of Rs.835,324/- had been recovered.

The Committee **kept the PDP pending** with the directions that the recovery be made before 30th June 2006 and got verified by audit.

(PDP No.7133) ETO, Attock-Rs.1,580,479/-.

17.01.2006 The Department explained that a sum of Rs.283,000/- had been recovered and Rs.265,924/- were not due. Efforts were being made for balance recovery.

The PDP was kept pending for balance recovery and verification of record by Audit.

(PDP No.7750) ETO-III, Faisalabad-Rs.1,132,979/-.

17.01.2006 The Department explained that the para was against 113 properties and now the balance amount was recoverable against only 21 properties. It was also stated that Rs.87,484/- was not due but Audit did not agree with the department.

The Committee **kept the PDP pending** with the directions that recovery be made before 30th June 2006 and record be got verified by audit.

(PDP No.7158) ETO, Chakwal-Rs.1,129,213/-

17.01.2006 The Department explained that the PDP was against the 79 properties and a sum of Rs.3,257/- was not due which had been got verified by audit. It was also stated that a sum of Rs.148,065/- had been recovered and got verified by Audit.

The Committee **kept the PDP pending** with the directions that the recovery be made before 30th June 2006 and got verified by audit.

(PDP No.7312) ETO-I, Multan-Rs.918,445/-.

17.01.2006 The Department explained that Rs.804,292/- had been recovered and got verified by audit. Strenuous efforts were being made to recover the balance amount.

The Committee **kept the PDP pending** with the directions that the recovery be made before 30th June 2006 and got verified by audit.

(PDP No.7583) ETO-Zone-XII, Lahore-Rs.912,186/-.

17.01.2006 The Department explained that the para was related to the 66 properties and a sum of Rs.89,638/- had also been recovered in addition to the previous recovery of Rs.339,656/- which had not been yet got verified by audit. Moreover, Rs.208,990/- were not due.

The Committee **kept the PDP pending** with the directions that the recovery be made before 30th June 2006 and record be got verified by audit.

(PDP No.7217) ETO, Jhelum-Rs.684,731/-

17.01.2006 The Department explained that Rs.437,501/- had been recovered and Rs.11,239/- were not due. Efforts were being made to recover the balance amount.

The Committee **kept the PDP pending** with the directions that the recovery be made before 30th June 2006 and got verified by audit.

(PDP No.7741) ETO-I, Faisalabad-Rs.674,130/-.**(PDP No.7489) ETO-Zone-XI, Lahore-Rs.503,185/-.****(PDP No.7324) ETO-III, Multan-Rs.374,688 /-.****(PDP No.7367) ETO, Sialkot-Rs.373,905/-.****(PDP No.7625) ETO-Zone-VIII, Lahore-Rs.370,649/-.****(PDP No.7544) ETO, D. G. Khan-Rs.332,286/-.****(PDP No.7320) ETO-II, Multan-Rs.304,592/-.****(PDP No.7372) ETO, Sialkot-Rs.251,536/-.****(PDP No.7506) ETO, M. B. Din-Rs.244,984/-.****(PDP No.7853) ETO, Lodhran-Rs.122,651/-.****(PDP No.7669) ETO, Khan-e-Wal-Rs.116,778/-.****(PDP No.7637) ETO, Sahiwal-Rs.110,693/-.****(PDP No.7289) ETO, Hafizabad-Rs.109,255/-.****(PDP No.7803) ETO, T. T. Singh-Rs.68,154/-.****(PDP No.7117) ETO, Khushab-Rs.67,493/-****(PDP No.7329) ETO-III, Multan-Rs.59,230/-****(PDP No.7662) ETO, Vehari-Rs.41,018/-****(PDP No.7672) ETO, Khan-e-Wal-Rs.37,877/-**

17.01.2006 The Department assured that the balance recovery in the above mentioned paras would be made before the next financial year.

The Committee **kept the PDPs pending** on the assurance of the Department.

(PDP No.7590) ETO-Zone-III, Lahore-Rs.247,867/-.**(PDP No.7554) ETO, Rajan Pur-Rs.152,295/-.****(PDP No.7439) ETO-Zone-II, Lahore-Rs.102,426/-.**

(PDP No.7658) ETO, Vehari-Rs.83,617/-.

(PDP No.7505) ETO, M. B. Din-Rs.27,042/-.

17.01.2006 The Department explained that the entire amount had been recovered.

The Committee settled the PDPs subject to verification of recovery by audit.

(PDP No.7454) ETO-Zone-VI, Lahore-Rs.237,908/-.

(PDP No.7479) ETO-Zone-X, Lahore-Rs.193,782/-.

(PDP No.7715) ETO, Jhang-Rs.168,857/-.

(PDP No.7443) ETO-Zone-IV, Lahore-Rs.167,109/-.

(PDP No.7129) ETO, Mianwali-Rs.116,146/-.

(PDP No.7743) ETO-II, Faisalabad-Rs.103,144/-.

(PDP No.7225) ETO, Jhelum-Rs.90,474/-.

(PDP No.7493) ETO-Zone-XI, Lahore-Rs.29,967/-.

17.01.2006 The Department explained that the total recovery had been made in the above mentioned PDPs and the record had been got verified by audit.

Audit verified the contention of the department and recommended the PDPs for settlement.

The paras were settled.

(PDP No.7661) ETO, Vehari-Rs.129,717/-.

17.01.2006 The Department explained that the matter was pending in the court of law.

The Committee kept the PDP pending being subjudice.

2. Para No.1.5 Pages 19-20 of Audit Report for the year 2001-2002; Non-Assessment of Additional Tax Rs.2,899,537/-.

17.01.2006 Audit had pointed out that Rs.4,008,989/- as additional tax @25% of the tax payable on owner's occupied properties built on a plot measuring two canals or more or having covered area exceeding 6000sqf was neither assessed nor recovered due to negligence of concerned field staff.

(PDP No.7318) ETO-II, Multan-Rs.378,320/-.

(PDP No.7365) ETO, Sialkot-Rs.311,622/-.

(PDP No.7128) ETO, Mianwali-Rs.264,432/-.

(PDP No.7106) ETO, Sargodha-Rs.135,072/-.

17.01.2006 The Committee **kept the PDP pending** and constituted an inquiry committee consisted of the following:-

1. Mr. Munawar Ahmed Kharral, Director
Excise & Taxation Department
2. Abdul Qayyum Nayyar,
Deputy Director Audit
3. Muhammad Bashir, Section Officer
Finance Department

The Committee would inquire into the wrong assessment of aforesaid PDPs and report to the PAC before 30th June 2006:-

(PDP No.7438) ETO-Zone-II, Lahore-Rs.900,922/-.

(PDP No.7736) ETO-I, Faisalabad-Rs.125,091/-.

(PDP No.7178) ETO, Attock-Rs.95,759/-.

(PDP No.7317) ETO-I, Multan-Rs.47,480/-.

(PDP No.7749) ETO-II, Faisalabad-Rs.32,971/-.

(PDP No.7294) ETO, Hafizabad-Rs.24,270/-.

(PDP No.7279) ETO-II, Gujranwala-Rs.19,847/-.

(PDP No.7121) ETO, Mianwali-Rs.14,544/-.

(PDP No.7111) ETO, Sargodha-Rs.14,251/-.

(PDP No.7894) ETO, Sheikhpura-Rs.37,293/-.

(PDP No.7391) ETO, Okara-Rs.59,183/-.

17.01.2006 The Department explained that the entire amount of the above mentioned PDPs had been recovered and got verified by audit.

Audit verified the contention of the Department and recommended **the PDPs for settlement.**

The PDPs were settled.

(PDP No.7237) ETO, Rahim Yar Khan-Rs.1,036,104/-.

17.01.2006 The Department explained that Rs.222,515/- had been recovered and the balance amount of Rs.11,437/- was against National Bank of Pakistan, Sadiqabad. The notices for the recovery had been issued and the balance amount would be recovered at the earliest.

The Committee **kept the PDP pending** with the directions that the recovery be made before 30th June 2006 and got verified by audit.

(PDP No.7442) ETO-IV, Lahore-Rs.409,565/-.**(PDP No.7180) ETO, Chakwal-Rs.45,515/-.****(PDP No.7191) ETO, Rawalpindi-Rs.56,748/-.**

17.01.2006 The Department explained that the total amount of the PDPs had been recovered.

The Committee **settled the PDPs subject to verification** by audit.

3. **Para No.1.6 Pages 20 & 21 of Audit Report for the year 2001-2002; Short-Realization of Property Tax Due to Non-Consolidation of Property Units Owned by Same Person – Rs.1,066,781/-**
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(PDP No.7110) ETO, Sargodha-Rs.21,876/-**(PDP No.7120) ETO, Khoshab-Rs.11,816/-****(PDP No.7132) ETO, Mianwali-Rs.29,804/-****(PDP No.7157) ETO, Chakwal-Rs.134,480/-****(PDP No.7226) ETO, Jhelum-Rs.84,240/-****(PDP No.7273) ETO-I, Gujranwala-Rs.120,978/-****(PDP No.7278) ETO-II Gujranwala-Rs.37,786/-****(PDP No.7291) ETO, Hafizabad-Rs.46,943/-****(PDP No.7406) ETO, Pakpattan-Rs.44,654/-.****(PDP No.7419) ETO, Sialkot-Rs.20,056/-****(PDP No.7440) ETO Zone-II, Lahore-Rs.54,246/-****(PDP No.7461) ETO Zone-VI Lahore,-Rs.15,060/-****(PDP No.7496) ETO-Zone-XI, Lahore-Rs.12,276/-****(PDP No.7584) ETO-Zone-XII, Lahore-Rs.167,443/-****(PDP No.7592) ETO Zone-III, Lahore-Rs.28,297/-****(PDP No.7630) ETO-ZoneVIII, Lahore-Rs.13,819/-**

(PDP No.7665) ETO, Vehari-Rs.14,251/-

(PDP No.7713) ETO-Jhang-Rs.28,634/-

(PDP No.7739) ETO-I, Faisalabad-Rs.143,799/-

(PDP No.7742) ETO-II, Faisalabad-Rs.44,566/-

(PDP No.7744) ETO-III, Faisalabad-Rs.114,961/-

4. Para No.1.7 Pages 22 & 23 of Audit Report for the year 2001-2002; Non-Realization of Property Tax Due to Non-Carrying Forward of Arrears – Rs.762,962/-
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(PDP No.7369) ETO, Sialkot-Rs.137,586/-

(PDP No.7850) ETO, Muzaffargarh-Rs.114,428/-

(PDP No.7639) ETO, Sahiwal-Rs.88,450/-

(PDP No.7748) ETO-III, Faisalabad-Rs.51,358/-

(PDP No.7558) ETO, Rajanpur-Rs.43,071/-

(PDP No.7502) ETO, M. B. Din-Rs.36,493/-

(PDP No.7551) ETO, D. G. Khan-Rs.27,306/-

(PDP No.7177) ETO, Chakwal-Rs.24,805/-

(PDP No.7222) ETO, Jehlum-Rs.169,435/-

(PDP No.7368) ETO, Sialkot-Rs.37,864/-

5. Para No.1.8 Pages 23 & 24 of Audit Report for the year 2001-2002; Under-Assessment of Property Tax Due to Non-Enforcement of Enhanced Valuation of Properties – Rs.669,434/-
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(PDP No.7626) ETO Zone-VIII, Lahore-Rs.318,215/-

(PDP No.7490) ETO-Zone-XI, Lahore-Rs.303,638/-

(PDP No.7474) ETO Zone-IX, Lahore-Rs.40,046/-

(PDP No.7436) ETO Zone-I, Lahore-Rs.33,543/-

(PDP No.7131) ETO, Mianwali-Rs.27,131/-

(PDP No.7487) ETO Zone-X, Lahore-Rs.21,465 /-

(PDP No.7460) ETO Zone-VI, Lahore-Rs.19,646/-

(PDP No.7445) ETO Zone-IV, Lahore-Rs.16,895/-

(PDP No.7469) ETO Zone-VII, Lahore-Rs.10,539/-

6. **Para No.1.9 Pages 24 & 25 of Audit Report for the year 2001-2002; Short-Realization of Property Tax - Rs.623,641/-**
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(PDP No.7459) ETO Zone-VI, Lahore-Rs.56,110/-

(PDP No.7323) ETO Zone-II, Multan-Rs.50,129/-

(PDP No.7499) ETO, Gujrat-Rs.110,549/-

(PDP No.7482) ETO Zone-X, Lahore-Rs.63,685/-

(PDP No.7491) ETO Zone-XI, Lahore-Rs.171,170/-

(PDP No.7644) ETO, Sahiwal-Rs.28,214/-

(PDP No.7627) ETO Zone-VIII, Lahore-Rs.225,307/-

7. **Para No.1.10 Pages 25 & 26 of Audit Report for the year 2001-2002; Short-Realization of Property Tax Due to Grant of Excessive Exemption – Rs.254,521/-**
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(PDP No.7234) ETO, Rahim Yaar khan-Rs.63,381/-

(PDP No.7366) ETO, Sialkot-Rs.90,747/-

(PDP No.7418) ETO, Sialkot-Rs.85,945/-

(PDP No.7462) ETO Zone-VI, Lahore-Rs.23,633/-

(PDP No.7468) ETO Zone-VII, Lahore-Rs.24,265/-

(PDP No.7477) ETO Zone-IX, Lahore-Rs.15,930/-

(PDP No.7484) ETO Zone-X, Lahore-Rs.27,696/-

8. **Para No.1.11 Page 27 of Audit Report for the year 2001-2002; Short-Realization of Property Tax Due to Non-Enhancement of Annual Rental Value – Rs.165,158/-**
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(PDP No.7137) ETO, Attock-Rs.97,030/-

(PDP No.7220) ETO, Jhelum-Rs.178,374/-

9. **Para No.1.12 Page 28 of Audit Report for the year 2001-2002; Under-Assessment of Property Tax Due to Non-Enforcement of Enhanced Valuation of Units – Rs.112,914/-**
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(PDP No.7670) ETO, Khanewal-Rs.87,827/-

10. **Para No.1.13 Pages 28 & 29 of Audit Report for the year 2001-2002; Short-Realization of Property Tax Due to Application of Incorrect Rate – Rs.99,299/-**

(PDP No.7671) ETO, Khanewal-Rs.32,679/-
(PDP No.7629) ETO Zone-VIII, Lahore-Rs.23,862/-
(PDP No.7416) ETO, Kasur-Rs.14,549/-
(PDP No.7740) ETO -I, Faisalabad-Rs.12,358/-
11. **Para No.1.14 Pages 29 & 30 of Audit Report for the year 2001-2002; Non-Realization of Property Tax on Expiry of Tax Holiday Rs.69,866/-**

(PDP No.7628) ETO Zone-VIII, Lahore-Rs.60,582/-
(PDP No.7560) ETO, Rajanpur-Rs.14,823/-
12. **Para No.1.15 Pages 30 & 31 of Audit Report for the year 2001-2002; Non-Realization of Property Tax Due to the Negligence of the Concerned Staff – Rs.69,809/-**

13. **Para No.1.16 Pages 31 & 32 of Audit Report for the year 2001-2002; Non-Realization of Token Tax – Rs.2,274,816/-**

(PDP No.7116) ETO, Khushab-Rs.113,644/-/-
(PDP No.7139) ETO, Attock-Rs.20,500/-
(PDP No.7160) ETO, Chakwal-Rs.91,706/-
(PDP No.7224) ETO, Jehlum-Rs.123,832/-
(PDP No.7238) ETO, Rahim Yar Khan-Rs.113,136/-
(PDP No.7328) ETO-III, Multan-Rs.140,298/-
(PDP No.7348) ETO, Kasur-Rs.40,120/-
(PDP No.7371) ETO, Sialkot-Rs.100,700/-
(PDP No.7387) ETO, Okara-Rs.232,642/-
(PDP No.7404) ETO, Pak Pattan Sharif-Rs.86,988/-
(PDP No.7507) ETO, M. B. Din-Rs.105,288/-
(PDP No.7547) ETO, D. G. Khan-Rs.58,996/-
(PDP No.7555) ETO, Rajanpur-Rs.103,800/-
(PDP No.7668) ETO, Khan-e-wal-Rs.125,898/-

(PDP No.7714) ETO, Jhang-Rs.100,016/-

(PDP No.7752) ETO, (MRA), Faisalabad -Rs.470,568/-

(PDP No.7845) ETO, Muzafargarh-Rs.119,122/-

(PDP No.7193) ETO-II, Rawalpindi-Rs.263,746/-

(PDP No.7893) ETO, Sheikhpura-Rs.51,100/-

(PDP No.7638) ETO, Sahiwal-Rs.89,594/-

14. Para No.1.18 Page 34 of Audit Report for the year 2001-2002; Short-Realization of Motor Vehicles Tax Due to Application of Incorrect Rate – Rs.320,433/-
-

(PDP No.7127) ETO, Mianwali-Rs.225,687/-

(PDP No.7642) ETO, Sahiwal-Rs.68,510/-

(PDP No.7666) ETO, Khan-e-wal-Rs.26,236/-

15. Para No.1.19 Pages 34 & 35 of Audit Report for the year 2001-2002; Non-Recovery of Token Tax Rs.137,310/-
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16. Para No.1.20 Pages 35, 36 & 37 of Audit Report for the year 2001-2002; Non-Realization of Stamp duty on Sale and Transfer of Registered Motor Vehicles – Rs.2,587,500/-
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(PDP No.7130) ETO, Mianwali-Rs.57,300/-

(PDP No.7751) ETO-(MRA), Faisalabad-Rs.54,000/-

(PDP No.7648) ETO, Bahawalnagar-Rs.51,700/-

(PDP No.7109) ETO, Sargodha-Rs.43,500/-

(PDP No.7846) ETO, Muzaffargarh-Rs.34,200/-

(PDP No.7409) ETO, Pakpattan Sharif-Rs.30,200/-

(PDP No.7118) ETO, Khushab-Rs.23,600/-

(PDP No.7664) ETO, Vehari-Rs.23,400/-

(PDP No.7722) ETO, Jhang-Rs.12,500/-

(PDP No.7239) ETO, Rahim Yar Khan-Rs.10,400/-

(PDP No.7349) ETO, Kasur-Rs.31,700/-

17. Para No.1.21 Pages 37 & 38 of Audit Report for the year 2001-2002; Short-Realization of Tax on Luxury Vehicles - Rs.250,000/-
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18. **Para No.1.22 Pages 38 & 39 of Audit Report for the year 2001-2002; Non-Recovery of Arrears of Evaded/ Unpaid Entertainment Duty Rs.12,510,868/-**
(PDP No.7612) ETO (ENT), Lahore-Rs.10,868/-
19. **Para No.1.23 Page 39 of Audit Report for the year 2001-2002; Non-Realization of Hotel Tax – Rs.680,830/-**
(PDP No.7854) ETO, Lodhran-Rs.133,850/-
(PDP No.7844) ETO, Muzaffargarh-Rs.30,198/-
(PDP No.7232) ETO, Rahim Yar Khan-Rs.255,020/-
(PDP No.7314) ETO-I, Multan-Rs.319,575/-
20. **Para No.1.24 Pages 40 & 41 of Audit Report for the year 2001-2002; Non-Realization of Cotton Fee Rs.2,391,204/-**
(PDP No.7854) ETO, Lodhran-Rs.133,850/-
(PDP No.7844) ETO, Muzaffargarh-Rs.30,198/-
(PDP No.7232) ETO, Rahim Yar Khan-Rs.255,020/-
(PDP No.7314) ETO-I, Multan-Rs.319,575/-

19.03.2007 The Department explained that the total recovery in the above mentioned paras/PDPs had been effected and got verified by audit.

On the recommendation of audit, the above mentioned paras/PDPs were settled.

21. **Para No.1.6 Pages 20 & 21 of Audit Report for the year 2001-2002; Shot-Realization of Property Tax Due to Non-Consolidation of Property Units Owned by Same Person – Rs.1,066,781/-**
(PDP No.7135) ETO, Attock-Rs.210,399/-
22. **Para No.1.7 Pages 22 & 23 of Audit Report for the year 2001-2002; Non-Realization of Property Tax Due to Non-Carrying Forward of Arrears Rs.762,962/-**
(PDP No.7322) ETO-II, Multan-Rs.51,446/-
23. **Para No.1.12 Page 28 of Audit Report for the year 2001-2002; Under-Assessment of Property Tax Due to Non-Enforcement of Enhanced Valuation of Units – Rs.112,914/-**
(PDP No.7663) ETO, Vehari-Rs.35,493/-

- 24. Para No.1.13 Pages 28 & 29 of Audit Report for the year 2001-2002; Short-Realization of Property Tax Due to Application of Incorrect Rate – Rs.99,299/-**
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(PDP No.7488) ETO Zone-X, Lahore-Rs.15,851/-

19.03.2007 The Department explained that the entire recovery had been effected and record was available for verification.

The PDPs were settled subject to verification of record by audit.

- 25. Para No.1.16 Pages 31 & 32 of Audit Report for the year 2001-2002; Non-Realization of Token Tax – Rs.2,274,816/-**
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(PDP No.7290) ETO, Hafizabad-Rs.98,378/-

19.03.2007 The Department assured that the pending amount of Rs. 42,000/- would be recovered within 90 days.

On the assurance of the Department, the Committee settled **the PDP subject to balance recovery.**

(PDP No.7595) ETO, (MV) Tie-Up, Lahore-Rs.241,264/-

19.03.2007 The Department explained that out of Rs. 241,264/- Rs. 108,056/- had been recovered and Rs.25,875/- were not due. The Department assured that the balance amount would be recovered within 90 days.

On the assurance of the Department, the Committee **settled the PDP subject to balance recovery.**

- 26. Para No.1.17 Page 33 of Audit Report for the year 2001-2002; Short-Realization of Motor Vehicles Registration Fee Due to Application of Incorrect Rates – Rs.1,711,099/-**
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(PDP No.7597) ETO, MV (Tie-Up), Lahore-Rs.1,640,551/-

(PDP No.7557) ETO, Rajanpur-Rs.70,548/-

19.03.2007 The Department explained that the audit had applied in correct rates as the notification on which the audit had relied upon was revised. The Department further explained that the registration fee had been charged in accordance with rule 42 of the Motor Vehicle Act 1958 para 9 (a) of Finance Ordinance 2000.

The Committee accepted the explanation of the Department and **the PDPs were settled.**

27. **Para No.1.20 Pages 35, 36 & 37 of Audit Report for the year 2001-2002; Non-Realization of Stamp duty on Sale and Transfer of Registered Motor Vehicles – Rs.2,587,500/-**
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(PDP No.7155) ETO, Chakwal-Rs.268,200/-

(PDP No.7272) ETO-I, Gujranwala-Rs.135,900/-

(PDP No.7223) ETO, Jhelum-Rs.131,200/-

(PDP No.7288) ETO, Hafizabad-Rs.121,400/-

(PDP No.7596) ETO-MV (Tie-Up), Lahore-Rs.107,,900/-

(PDP No.7497) ETO, Gujrat-Rs.88,700/-

(PDP No.7667) ETO, Khan-e-wal-Rs.53,700/-

(PDP No.7330) ETO-III, Multan-Rs.47,300/-

(PDP No.7643) ETO, Sahiwal-Rs.37,600/-

(PDP No.7855) ETO, Lodhran-Rs.31,500/-

(PDP No.7504) ETO, M. B. Din-Rs.15,200/-

(PDP No.7192) ETO-II, Rawalpindi-Rs.675,200/-

(PDP No.7888) ETO, Sheikhupura-Rs.306,900/-

(PDP No.7388) ETO, Okara-Rs.109,400/-

(PDP No.7598) ETO, Motor Vehicles-Rs.121,600/-

19.03.2007 The Department explained that the announcement for receiving of stamp duty by E&T Department was announced in June and the system was installed in September 2000. Before this the Board of Revenue was the competent authority for receiving the stamp duty.

The Committee **kept the PDPs pending** with the directions to the audit that the period for receiving of stamp duty be got verified on case to case basis and the position be brought before the PAC in the next meeting.

28. **Para No.1.22 Pages 38 & 39 of Audit Report for the year 2001-2002; Non-Recovery of Arrears of evaded/ Unpaid Entertainment Duty Rs.12,510,868/-**
-

(PDP No.7613) ETO, Entertainment, Lahore-Rs.12,500,000/-

19.03.2007 The Department explained that the matter was subjudice in the court of law.

The Committee **kept the PDP pending** being subjudice in the court of law.

29. **Para No.1.24 Pages 40 & 41 of Audit Report for the year 2001-2002; Non-Realization of Cotton Fee Rs.2,391,204/-**
-

(PDP No.7250) ETO, Bahawalpur-Rs.3,013,734/-

19.03.2007 The Department explained that the total recovery had been effected and record was available for verification.

The Committee **settled the PDP subject to verification** of record by audit.

(PDP No.7545) ETO, D. G. Khan-Rs.332,200/-

19.03.2007 The Department explained that the matter was subjudice in the court of law.

The Committee **kept the PDP pending** being subjudice in the court of law.

(PDP No.7553) ETO, Rajanpur-Rs.731,318/-

19.03.2007 The Department explained that original amount had been recovered and case for write off penalty had been moved to the competent authority.

The Committee **kept the PDP pending**

General Observation & Directions

16.01.2006 The Department explained that the appropriation accounts had yet to be reconciled and requested that the grants be pended for reconciliation till the next meeting.

The Committee acceded to the request of the department and deferred the consideration of the grants with the directions that the accounts be reconciled before the next meeting.

17.01.2006 The Committee observed that the working papers contained incomplete information and directed that the working papers should be comprehensive and complete in all respect, reflecting the updated position of recovery and justification for the amount not due should be explained completely.

ENVIRONMENTAL PROTECTION

The paras were discussed in the meeting of PAC-II held on 28.12.2006.

ENVIRONMETAL AUDIT REPORT ON KASUR TANNERIES POLLUTION CONTROL PROJECT

28.12.2006 The Department explained that Kasur Tanneries Pollution Control Project (KTPCP) was conceived to address the pollution problems created by operation of 200 tanneries in Kasur. The main objectives of the project were to:-

- i. Evacuate the stagnant pools of water spread over 400 acres,
- ii. Provide effluent collection system for various clusters of tanneries,
- iii. Provide common preliminary treatment plant,
- iv. Carry out pilot studies for chrome recovery and treatment,
- v. Provide effluent disposal system & arrange solid waste management system,
- vi. Provide in-house pollution control methods in the tanneries,
- vii. And to organize institutional setup to improve the occupational health and safety of workers.

Initially, the project was cleared on 19-01-1994 by the PDWP at a total cost of Rs.263.84 million (US\$10.147). The project was approved by the ECNEC on 28.05.1994 at the cost recommended by the PDWP i.e. Rs.263.84 million.

It was also stated that the PC-I of the project was again revised in January 2001 and approved at the cost of Rs.497.245 million. The Department further stated that the main sponsor of the project was UNIDO. The UNIDO had conducted a performance evaluated report of the project.

The Committee **kept the paras pending** with the directions that the report of the UNIDO be got verified by audit within 30 days.

FINANCE

The paras were discussed in the meeting of PAC-II held on 17.05.2007.

Audit Paras (Revenue Receipts) for the year 2001-2002

1. **Para No.6.1 Page 87 of Audit Report for the year 2001-02; Enroute Shortage of Non-Judicial Stamps Rs.155,000/-**

17.05.2007 The Department explained that the case for write off sanction had been submitted to the competent authority.

The Committee **conditionally settled the para subject to** write off sanction.

Audit Paras (Civil) for the year 2001-2002

1. **Para No.1 Page 8 of Audit Report for the year 2001-02; Misappropriation of Rs.1,356,820/- by the Bank due to Non-confirmation of Payment on Account of Pension**

17.05.2007 The Department explained that the over payment /fraudulent payments of pension were made by the National Bank of Pakistan between 1990-91 to 2000-01. The amounts were withdrawn by the bank officials with the help of some fraudulent pensioners by:-

1. Recording different bogus pension payment order numbers on the vouchers.
2. Enhancing the monthly pension rates and period of payment.
3. Making fictitious signatures and thumb impressions.

The fraud was facilitated due to non-conduct of timely post audit of pensions by the DAO, Mianwali. Later, while updating post audit of pensions starting 2001 completed in 2003-04, the total amount recoverable from the NBP, Mianwali had come to Rs.4,562,982/- which was conveyed to the Bank Authorities vide this office letter dated 12-7-2003 out of which a sum of Rs.290,113.86 had been deposited by the concerned officials of the National Bank of Pakistan, Mianwali. Efforts were being made to get recovery of remaining amount embezzled by the bank officials. The matter was being pursued with the bank authorities.

The Committee **kept the para pending** with the directions that the record be got verified by audit and the balance recovery be made at the earliest.

2. **Para No.2 Page 9 of Audit Report for the year 2001-02; Fraudulent Payments of Rs.280,900/- as G.P.Fund Advances by Preparing Bogus G.P.Fund Cards**
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17.05.2007 The Department explained that the matter was inquired into and the responsible officer/officials were awarded punishment under E&D Rules. Moreover, the fraudulent payment had been recovered and deposited into the government treasury.

The para was settled.

3. **Para No.3 Pages 9 & 10 of Audit Report for the year 2001-02; Fraudulent Final Payments of G.P.Fund on Bogus Claims Rs.451,592/-**
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4. **Para No.4 Pages 10 & 11 of Audit Report for the year 2001-02; Doubtful Payments Amounting to Rs.1,056,224/- in Connection with Drawal of GP Fund Advances/Final Payments**
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17.05.2007 The Department explained that the original disbursement certificate and ledger cards were available for verification.

The Committee **conditionally settled the para** with the directions that the record be got verified within one week.

5. **Para No.5 Page 12 of Audit Report for the year 2001-02; Un-Authorized Payment of Salaries to Adhoc Lecturers After Termination Recovery of Rs.455,190/-**
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17.05.2007 The Department explained that the para was settled during the DAC meeting held on 24.7.2002.

Audit verified the contention of the Department and recommended the para for settlement

The para was settled.

6. **Para No.6 Pages 12 & 13 of Audit Report for the year 2001-02; Overpayment of House Rent Allowance Rs.231,451/-**
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(6.1) DAO Attock Rs.152,173/-

17.05.2007 The Department explained that the matter was under consideration with the Finance and S&GAD department. Further action would be taken as and when the decision was received.

The **Committee kept the para pending** with the directions that the decision be made within 30 days.

(6.2) DAO Bahawalpur Rs.79,278/-

17.05.2007 The Department explained that the concerned Police Officer Mr. Fiaz Ahmed Leghari had been requested to deposit the amount of Rs.79,278/- vide letter No. dated 03-1-2003 and subsequently reminder had been issued on 4-10-2006.

The Committee **kept the para pending** for recovery within 60 days.

7. Para No.7 Pages 13 & 14 of Audit Report for the year 2001-02; Irregular and Unjustified Award of Advance Increments to the Secondary School Teachers Amounting to Rs.257,926/-

(7.1) DAO Jhelum Rs. 88,485/-**(7.2) DAO Narowal Rs. 113,378/-****(7.3) DAO Bahawalnagar Rs. 56,063/-**

17.05.2007 The Department explained that the Government of the Punjab Finance Department vide its letter No. dated 10-2-2003 had protected double benefit availed by the teacher and advised not to make recovery of over payment on account of grant of advance increments.

Audit verified the contention of the Department and recommended the paras for settlement

The paras were settled.

8. Para No.8 Page 14 of Audit Report for the year 2001-02; Non-Recovery of to Rs.172,105/- Overpaid Due to Wrong Pay Fixation

17.05.2007 The Department explained that all the outstanding recovery had been made from the concerned officer/officials.

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

9. Para No.9.4 Page 15 of Audit Report for the year 2001-02; Overpayment of Science Teaching Allowance to Subject Specialists, Recovery of Rs.446,035/-

DAO Khushab Rs. 35,133/-

10. Para No.17 Pages 20 & 21 of Audit Report for the year 2001-02; Consumable Stock Items Valuing Rs.67,240/- not Taken on Stock Register

- 11. Para No.20.1 Pages 22 & 23 of Audit Report for the year 2001-02; Irregular Payment of House Rent Allowance and Non-Deduction of 5% Recovery Amounting to Rs.291,550/-**
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DAO Lodhran Rs. 61,810/-

17.05.2007 The Department explained that the contention of the Department had been accepted by audit.

On the recommendation of audit, **the paras were settled.**

- 12. Para No.9 Page 15 of Audit Report for the year 2001-02; Overpayment of Science Teaching Allowance to Subject Specialists, Recovery of Rs.446,035/-**
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(9.5) DAO Sheikhpura Rs.163,650/-

17.05.2007 The Department explained that the recovery on account of Science Teaching Allowance had been made from the subject specialists.

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

(9.6) DAO Bahawalpur Rs.75,900/-

17.05.2007 The Department explained that the case was subjudice in the Hon'ble Service Tribunal.

The **para was kept pending** being subjudice.

(9.7) DAO Bahawalnagar Rs.17,800/-

17.05.2007 The Department explained that Rs.11,658/- had been recovered and the balance was not due.

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

(9.8) DAO Muzaffargarh Rs.153,552/-

17.05.2007 The Department explained that the matter regarding recovery of Science Teaching Allowance was referred to the AG Punjab who had stopped the payment of this allowance and recovery would be effected subject to advice of the Finance Department which was still awaited.

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

13. Para No.10 Pages 15 & 16 of Audit Report for the year 2001-02; Excess Payment on Account of Incorrect Fixation of Pay Amounting to Rs.275,605/-

17.05.2007 The Department explained that the actual recovery was Rs.194,994/- out of which an amount of Rs.156,684/- had been recovered and got verified by audit. The recovery of the balance amount was under process.

The Committee **settled the para subject to verification** of record by audit and balance recovery.

14. Para No.11 Page 16 of Audit Report for the year 2001-02; Excess Payment on Account of Advance Increments Amounting to Rs.73,848/-

15. Para No.12 Page 17 of Audit Report for the year 2001-02; Excess Payment of Commuted Value of Pension Recovery of Rs.62,612/-

17.05.2007 The Department explained that the contention of the department had been accepted by audit.

On the recommendation of audit, **the paras were settled.**

16. Para No.13 Pages 17 & 18 of Audit Report for the year 2001-02; Irregular And Unjustified Payment of Fixed T.A. to Medical Health Technicians Rs.918,400/-

(13.1) DAO Jhelum Rs.361,500/-

17.05.2007 The Department explained that Rs.85,000/- had been recovered and the balance amount was being recovered @ Rs.100/- per month from Medical Health Technicians.

The Committee **settled the para subject to** balance recovery and verification of record by audit.

(13.2) DAO Attock Rs.556,900/-

17.05.2007 The Department explained that the recovery on account of fixed TA had been made in excess of the amount pointed out by audit.

Audit contended that the department could not substantiate the recovery w.e.f. date as pointed by audit.

The Committee **settled the para subject to verification** of complete recovery by audit.

17. Para No.14 Page 18 of Audit Report for the year 2001-02; Un-Authorized/ Irregular Payments of GP Fund Advances Overpayment of Rs.114,005/-

17.05.2007 The Department explained that the responsible officers/officials were proceeded under the E&D Rules and were awarded penalty of compulsory retirement/removal from service. It was also stated that the GP Fund schedule duly signed by the DDO and broad sheets and ledger cards were available for verification.

The Committee **kept the para pending with the directions** that the ledger card system be finalized at the earliest.

18. Para No.15 Pages 18 & 19 of Audit Report for the year 2001-02; Excess Payment of Rs.166,928/- Against G.P.Fund Account No.EDU/12240

17.05.2007 The Department explained that a sum of Rs.144,318/- had been recovered leaving a balance of Rs.22,610/-.

The Committee **settled the para subject to** balance recovery and its verification by audit.

19. Para No.16 Page 20 of Audit Report for the year 2001-02; Non-Deduction of Income Tax-Recovery of Rs.247,432/-

(16.1) Punjab Privatization Board, Lahore Rs.230,040/-

17.05.2007 The Department explained that the competent authority had accorded approval vide Government of Pakistan Central Board of Revenue notification No. dated 17-8-1998. According to the notification, the Punjab Privatization Board would be treated at par with the Federal Privatization Commission for the purposes of exemption of Income Tax.

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

(16.2) DAO Muzaffargarh Rs.17,392/-

17.05.2007 The Department explained that as per clarification of the AG Punjab the deduction of Income Tax on the purchase of Library Books was 3.5% instead of 5%.

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

20. Para No.18 Page 21 of Audit Report for the year 2001-02; Unjustified Double Payment of Ration Allowance to the Elite Police Force Rs.275,993/-

17.05.2007 The Department explained that the para related to the Police Department and requested the same may be transferred to the Police Department.

The Committee acceded to the request of the Department and the para was transferred to the Police Department.

The para was kept pending.

21. Para No.19 Page 22 of Audit Report for the year 2001-02; Non-Recovery of GP Fund Advances Rs.1,359,236/-

17.05.2007 The Department explained that the recoveries in respect of G.P Funds advance in the cases had been completed and the record was available for verification.

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

22. Para No.20 Pages 22 & 23 of Audit Report for the year 2001-02; Irregular Payment of House Rent Allowance and Non-Deduction of 5% Recovery Amounting to Rs.291,550/-

(20.2) DAO Bahawalpur Rs.24,628/-

17.05.2007 The Department explained that the District Accounts Officer, Sheikhpura had been requested to recover the amount of Rs.24,628/- from Mr. Muhammad Naeem Ashraf, SDO vide letter dated 16-2-2007.

The Committee **settled the para subject** to recovery and its verification by audit.

(20.3) DAO Bhakkar Rs.104,836/-

17.05.2007 The Department explained that partial recovery had been effected and out of outstanding amount, certain cases were subjudice in the court of law.

The Committee reduced the para up to recovery effected subject to its verification by Audit and remaining portion of **para was kept pending.**

(20.4) DAO Hafizabad Rs.100,277/-

17.05.2007 The Department explained that partial recovery had been effected and got verified by audit. Whereas efforts were being made for balance recovery.

The Committee **settled the para subject to** balance recovery and its verification by audit.

23. **Para No.21 Pages 23 & 24 of Audit Report for the year 2001-02; Non-Realization of Audit Fee and Annual Contribution, Recovery of Rs.38,270,272/-**

(21.1) Director Local Fund Audit Rawalpindi Rs.13,428,651/-

(21.2) Divisional Director Local Fund Audit, Lahore Rs.17,417,040/-

(21.3) Director Local Fund Audit Multan Rs.803,077/-

(21.4) Divisional Director Local Fund Audit, Bahawalpur Rs.6,621,504/-

17.05.2007 The Department explained that aforesaid paras related to the collection of audit fee and gave detailed justification in each case.

The Committee accepted the departmental explanation and **settled the paras.**

24. **Para No.22 Pages 24 & 25 of Audit Report for the year 2001-02; Loss to Government for Rs.718,750/- Due to Non-Implementation of Auction Cancellation Orders**

17.05.2007 The Department explained that the issue was placed in the 36th meeting of the Punjab Privatization Board on 25.1.2002 wherein it was allowed by the Board to transfer the stock in favour of the auction purchases and his nominee. It was further stated that the Board was comprised of senior government functionaries i.e. Chairman P&D Board, SMBR, Secretary Finance and two private members nominated by the government. The Board was fully competent to condemn delay in payments made by the bidders with/without financial charges.

The Committee accepted the explanation of the department and **the para was settled.**

25. **Para No.23 Page 25 of Audit Report for the year 2001-02; Loss Caused to Government to the Tune of Rs.405,402/-**

17.05.2007 The Department explained that the total price of the property, along with financial charges had been received and the delay had also been condemned by the Board in its meeting held on 21-2-2002. It was also stated that no loss had been caused to the government.

The Committee **settled the para subject to verification** of minutes of the meeting of Board dated 21.2.2002 by audit.

26. **Para No.24 Pages 25 & 26 of Audit Report for the year 2001-02; Loss to Government to the Tune of Rs.510,000/- And Less Recovery of Financial Charges Rs.150,681/-**

17.05.2007 The Department explained that the case was placed before the Punjab Privatization Board in its 36th meeting held on 25-1-2002 wherein Board had unanimously

decided that auction purchaser may be requested to pay the outstanding dues and in case they failed to make the payments, the finance Department may move for waive off sanction. Accordingly the write off sanction had been granted by the competent authority.

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

27. Para No.25 Pages 26 & 27 of Audit Report for the year 2001-02; Non-Adjustment/Recovery of Advances and Overpayment of House Rent Allowance, Recovery of Rs.894,447/-

(25.1) D.A.O. R.Y.Khan Rs.261,160/- + Rs.234,661/-

17.05.2007 The Department explained that the adjustment amounting to Rs.79,837/- had been made and the department gave detailed explanation in case of each item of the para concluding that all the outstanding amount had been recovered/adjusted.

The Committee accepted the explanation of the department and **conditionally settled the para subject to** complete recovery and its verification by Audit.

(25.2) D.A.O. M/Garh Rs.63,395/-

17.05.2007 The Department explained that partial recovery had been effected and efforts were being made for recovery of the balance amount which would be finalized at the earliest.

The Committee **conditionally settled the para subject to** complete recovery and its verification by Audit.

(25.3) D.A.O. Bahawalnagar Rs.38,500/-

17.05.2007 The Department explained that the recovery was worked out against the following five officers:-

1. Mr. Shafiqu-ur-Rehman, Civil Judge, Chishtian

The recovery of TA advance Rs.5,000/- had been made good as per reply of District Accounts Officer, Sahiwal vide No. 709 dated 4-10-2006.

2. Mr. Waqar-ul-Hassan, Civil Judge, IInd Class, Chishtian

His recovery of TA advances Rs.5,000/- was still outstanding. Presently, the officer was working under the control of AG Punjab, Lahore. A detailed reference had been sent vide this officer No.735 dated 04.10.2006.

3. Mr. Basher Ahmed Bhatti, Addl. District & Session Judge

Copy of recovery memo, issued by the District Accounts Officer, Mianwali and copy of Challan form was available.

4. Mr. Tahir Saleem, Assistant District Attorney, Bahawalnagar

Recovery of Rs.3,500/- had been made through TA bill. Copy of the bill was available for verification.

5. Mr. Mehmood Ahmed Shakir, Civil Judge, Haroonabad

Recovery of Rs.10,000/- had been made by the District Accounts Officer, Bahawalpur vide this office No.1515 dated 06-06-2005.

Only Rs.5,000/- was outstanding against the officer noted at Sr.No.2 above out of total recovery of Rs.38,500/- under this para.

The Committee **settled the para subject to balance** recovery and its verification by audit.

(25.4) D.A.O. Lodhran Rs.72,000/-

17.05.2007 The Department explained that Rs.32,000/- had been recovered out of Rs.72,000/-. It was also stated that the balance amount i.e. Rs.40,000/- related to Mr. Babar Rehman, EAC, who had been transferred from one district to another district. However, the recovery had been shown on the LPC of the officer. Moreover, the case had been referred to the S&GAD for recovery.

The **para was conditionally settled subject** to complete recovery and its verification by Audit.

28. Para No.25.5 Pages 26 & 27 of Audit Report for the year 2001-02; Non-Adjustment/Recovery of Advances and Overpayment of House Rent Allowance, Recovery of Rs.894,447/-**D.A.O. Attock Rs.224,731/-****29. Para No.26.1 Pages 27 & 28 of Audit Report for the year 2001-02; Irregular Payment of Commutation of Pensioners Retired on Account of Medical Invalidity Rs.3,637,525/- and Recovery Thereof****D.A.O. Attock Rs.2,144,716/-****30. Para No.29.2 Page 30 of Audit Report for the year 2001-02; Irregular Payment to the Contingent Paid Staff Amounting to Rs.1,280,700/-****DAO Hafizabad Rs.96,750/-**

17.05.2007 The Department explained that the paras had already been settled by the SDAC and facts had been got verified by Audit.

On the recommendation of audit, **the paras were settled.**

- 31. Para No.26.2 Pages 27 & 28 of Audit Report for the year 2001-02; Irregular Payment of Commutation of Pensioners Retired on Account of Medical Invalidity Rs.3,637,525/- and Recovery Thereof**
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D.A.O. Jhelum Rs.1,492,809/-

17.05.2007 The Department explained that the Government of the Punjab Finance Department had eliminated second medical opinion w.e.f. 1.6.1994, for the invalided pensioners for eligibility of commutation of pension vide no. FD/PC-2-2/94 dated 18.7.1994.

The Committee accepted the explanation of the department and **the para was settled.**

- 32. Para No.27 Pages 28/29 of Audit Report for the year 2001-02; Irregular award of benefit of service towards Pension, rendered by the employee prior to the Nationalization of Schools, GAP in service needs condonation by the Competent Authority**
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17.05.2007 The Department explained that the pension case was finalized in the light of the clarification issued by the AG Punjab, Lahore dated 3-10-2000 which had been got verified by Audit.

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

- 33. Para No.28 Pages 29 & 30 of Audit Report for the year 2001-02; Irregular and Unauthorized Payment of P.C.A. to the Contractee Doctors, Recovery of Rs.197,953/-**
-

(28.1) D.A.O. Jhelum Rs.91,560/-

(28.2) D.A.O. Attock Rs.106,393/-

17.05.2007 The Department explained that the Secretary, Government of the Punjab Health Department had clarified that PCA was admissible to the contractee doctor vide dated 10.11.2003.

On the recommendation of audit, **the paras were settled.**

- 34. Para No.29 Page 30 of Audit Report for the year 2001-02; Irregular Payment to the Contingent Paid Staff Amounting to Rs.1,280,700/-**
-

(29.1) DAO D.G.Khan Rs.504,100/-

(29.4) DAO Muzaffargarh Rs.173,000/-

(29.5) DAO Bahawalnagar Rs.190,000/-

17.05.2007 The Department explained that the clarification in this regard had already been given by the Finance Department vide its letter dated 11-2-1997 that there was no ban on payments to the contingent paid staff. It was also stated that the staff was already working in the department.

The Committee accepted the departmental reply and **settled the paras.**

(29.3) DAO Rajan Pur Rs.316,850/-

17.05.2007 The Department explained that the ban on appointment of contingent paid staff was imposed under austerity measures by the Finance Department w.e.f. 06/1992, whereas such staff for which the payments were drawn was appointed prior to 06/1992 i.e. before imposition of ban on appointment of contingent paid staff. While making payment to the contingent paid staff, necessary certificates from DDO i.e. District Police Officer, Rajanpur had been obtained to the effect that the contingent paid staff for whom the payments were drawn, were appointed prior to 6/1992. Moreover, a similar para had already been settled in the DAC on 24-7-2002.

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

35. Para No.30 Page 31 of Audit Report for the year 2001-02; Recover Due to Irregular Payment of Dress and Washing Allowance Amounting to Rs.546,400/-

(30.1) DAO Rajan Pur Rs.117,000/-

17.05.2007 The Department explained that the para was settled during the SDAC meeting held on 06.5.2003 to 13.5.2003 and was settled on the plea that recoveries had already been made through pay bills. Photocopies of the pay bills through which recoveries were made were available for verification.

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

(30.2) DAO Sheikhpura Rs.187,600/-

17.05.2007 The Department explained that actual amount involved in the para was Rs.87,600/- and a clarification from the SR Wing had been sought in the matter.

The Committee **conditionally settled the para subject** to implementation of the clarification of the SR Wing, Finance Department, Lahore.

(30.3) DAO Layyah Rs.109,200/-

17.05.2007 The Department explained that 6493 posts of Security Guards (Chowkidars) for Primary & High Schools were created for which budget for Washing & Dress Allowance was also allocated vide Govt. of the Punjab, Education Department letter No. SO(PE)EDU.3-8/87 dated 01.7.1990. Washing & Dress Allowance was admissible to the post of Chowkidar, therefore no irregular payments were made.

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

(30.4) DAO D.G.Khan Rs.132,600/-

17.05.2007 The Department explained that the recovery on account of Dress & Washing Allowance for Rs.209,458/- had been made through salary bills.

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

36. Para No.31 Page 32 of Audit Report for the year 2001-02; Un-Justified Acceptance of Re-Appropriations Amounting to Rs.280,000/-

37. Para No.32 Pages 32 & 33 of Audit Report for the year 2001-02; Irregular Expenditure of Rs.74,900/- Incurred on Printing of Finance Accounts 1998-99

38. Para No.33.1 Pages 33 & 34 of Audit Report for the year 2001-02; Irregular Payment of Rs.470,495/- Without Sanction of the Competent Authority

DAO R.Y.Khan Rs.208,341/-

39. Para No.34 Pages 34 & 35 of Audit Report for the year 2001-02; Irregular Payment Under Object, 243 Other Buildings for Rs.590,692/-

40. Para No.35 Page 36 of Audit Report for the year 2001-02; Non Conduct of Post Audit of Pension Payment Vouchers/G.P.Fund Involving Rs.408,257,245/-

(35.1) DAO Sheikhpura Rs.334,399,402/-**(35.2) DAO Sheikhpura Rs.73,815,475/-**

41. Para No.37.1 Pages 37 & 38 of Audit Report for the year 2001-02; G.P.Fund Account in Arrear For Rs.51,739,239/- Defective Maintenance/Compilation of G.P.Fund Accounts Difference of Rs.869,735/-

DAO Sheikhpura

17.05.2007 The Department explained that necessary action had been taken in above paras and the contention of the Department had been got verified by audit.

On the recommendation of audit, the paras were settled.

42. Para No.33.2 Pages 33 & 34 of Audit Report for the year 2001-02; Irregular Payment of Rs.470,495/- without Sanction of the Competent Authority

DAO Bahawalpur Rs.262,154/-

17.05.2007 The Department explained that the para comprised of two parts:-

Part-I

In case of purchase of expenditure of Rs.199,996/-, it had been clearly laid down in the Financial Power Rules that officers in category-II were authorized for payment of Rs.150,000/- in each case.

Part-II

The purchases of different recurring and non-recurring items were made on different dates within the competence of the SSP being the category-II officer.

The Committee **settled the part-II whereas part-I was conditionally settled subject** to regularization of the expenditure by the Competent Authority and verification of requisite record by Audit.

43. Para No.35.3 Page 36 of Audit Report for the year 2001-02; Non Conduct of Post Audit of Pension Payment Vouchers/G.P.Fund Involving Rs.408,257,245/-

DAO Bahawalpur Rs.42,368/-

17.05.2007 The Department explained that an amount of Rs.4,246/- had been recovered from Mr. Ghulam Sarwar Holder of PPO No.7362/386 as per certificate issued by the Manager, NBP Satellite Town, Bahawalpur.

The Committee **kept the para pending** with the directions that the balance recovery be made at the earliest.

44. Para No.36 Page 37 of Audit Report for the year 2001-02; Defective Maintenance of GP Fund Accounts Resulted in Difference of Rs.19,876,270/-

17.05.2007 The Department explained that the efforts were being made to maintain the GP Fund ledger and accounts properly and all the district governments had been requested to provide the details of GP Fund deductions.

The Committee **kept the para pending** with the direction that matter be finalized at the earliest in co-ordination with Accountant General, Punjab.

- 45. Para No.37.2 Pages 37 & 38 of Audit Report for the year 2001-02; GP Fund Account in Arrear For Rs.51,739,239/- Defective Maintenance/Compilation of GP Fund Accounts Difference of Rs.869,735/-**
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DAO Bahawalnagar

17.05.2007 The Department explained that the GP Funds Accounts were in arrears due to shortage of staff in GP Fund Section. The broad sheets were not available in the AG Office and the accounts would be up-to-dated on receipt of the same.

The para was kept pending.

- 46. Para No.38 Page 39 of Audit Report for the year 2001-02; Doubtful Payment of Arrear of Pay and Allowances, Without Showing the Allied Record Amounting to Rs.4,943,591/-**
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17.05.2007 The Department explained that the complete record was available for verification.

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

FOOD

The paras were discussed in the meetings of PAC-II held on 16.02.2006, 17.02.2006, 18.02.2006, 29.08.2006, 31.08.2006 & 27.02.2007.

Audit Paras (Revenue Receipts) for the year 2001-2002

1. Para No.5.1 Pages 81 & 82 of Audit Report for the year 2001-2002; Non-Realization of Sugar-cane (Development) Cess Rs.61,114,257/-

16.02.2006 The Department explained that the total amount of the para had been recovered and got verified by audit except Rs.184.00.

Audit verified the contention of the Department and recommended the para for settlement subject to recovery of Rs.184.00.

The para was settled.

2. Para No.5.2 Pages 82 & 83 of Audit Report for the year 2001-2002; Short-Realization of Sugar-cane (Development) Cess Due to Unlawful Retention of Collected Cess Rs.9,850,080/-

16.02.2006 The Department explained that Rs.76,407,218/- had been recovered and got verified by audit.

The Committee **kept the para pending** with the directions that the balance amount be recovered at the earliest.

3. Para No.5.3 Pages 83 & 84 of Audit Report for the year 2001-2002; Non-Realization of Penalty Rs.14,431,080/-

16.02.2006 The Department explained the position of mill wise recovery was as under:-

1. Tandhlianwala Sugar Mill

The Department explained that the amount of penalties for the year 1993-94 to 2001-2002 was re-determined as Rs.1,620,000/- and allowed its payment in twelve installments. The mill had deposited ten installments amounting to Rs.1,350,000/- and Rs.50,000/- had been adjusted against instant penalty.

The Committee **settled this part subject** to balance recovery and its verification by audit.

2. Pattoki Sugar Mill

The Department explained that the matter was being adjudicated in the court of law.

The Committee **pended this part** related to M/s. Pattoki Sugar Mill being subjudice.

3. **National Sugar Mill,**
Ashraf Sugar Mill

The Department explained that the total recovery had been made and deposited into government treasury.

Audit verified the contention of the Department and recommended this part for settlement.

The Committee **settled the part**.

4. **Brothers Sugar Mill**

The Department explained that the case had been remanded to Cane Commissioner for decision.

The Committee **pended this part** with the directions that the decision be made at the earliest.

5. **Pahrianwali Sugar Mill**

The Department explained that the amount of penalty was re-determined as Rs.39,074,363/- and allowed its payment in twenty-four installments. The mill was regularly paying the installments on due dates.

The Committee **settled this part subject to** balance recovery and its verification by audit.

6. **Adam Sugar Mill**

The Department explained that the demand had been created for recovery as arrears of land revenue and the recovery certificate was issued to Revenue Authority on 03-6-2005. The matter was pursued vigorously.

The Committee **pended this part** with the directions that recovery be made at the earliest.

7. **Yousaf Sugar Mill**
Abdullah Sugar Mill

The Department explained that the matter was under *denovo* trial before the cane Commissioner.

The Committee **pended the part** relating to the above sugar mills with the directions that the recovery be made within three months.

8. Indus Sugar Mill

The Department explained that the demand had been created for recovery as arrears of land revenue and the DCO, Rajanpur was being requested for early recovery.

The Committee **pended this part** with the directions that recovery be made at the earliest.

9. Baba Farid Sugar Mill

The Department explained that the matter was under denovo trial before Cane Commissioner.

The Committee **pended this part** with the directions that the recovery be made within three months

Adam Sugar Mills

29.08.2006 As per directions of Sub-Committee-VII DO (R) Bahawalnagar appeared before the PAC and explained that building of defaulters had been attached and auction would be conducted for recovery of outstanding dues

The Committee **kept this part pending** with the directions that complete recovery be effected within three months.

Indus Sugar Mills

The DDO (Rev) Rajanpur informed the Committee that DO (Rev) could not attend the meeting due to illness of his wife.

The Committee expressed its displeasure on absence of DO (Rev) Rajanpur without any intimation and directed that his presence should be ensured on 31.8.2006.

On 31.8.2006 DO (R) Rajanpur attended the meeting and explained that complete recovery had been effected.

This part was conditionally **settled subject to verification** of recovery by Audit.

4. Para No.5.4 Page 84 of Audit Report for the year 2001-2002; Short-realization of Sugar-cane Cess Due to Miscalculation Rs.1,795,864/-.

16.02.2006 The Department explained that in pursuance of the orders of the Lahore High Court Lahore dated 27.07.1989, the outstanding amount had been adjusted and got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

5. Para No.5.5 Page 85 of Audit Report for the year 2001-2002; Short-realization of Sugar-cane Cess Due to Application of Incorrect Rate Rs.1,473,920/-

16.02.2006 The Department explained that the total amount had been recovered and deposited into the government treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

6. Para No.5.6 Pages 85 & 86 of Audit Report for the year 2001-2002; Short-Realization of Sugar Cane Cess Rs.1,377,420/-.

16.02.2006 The Department explained that the matter had been taken up with the NWFP government for its settlement.

The Committee **kept the para pending** with the directions that the matter be resolved at the earliest.

7. Para No.5.7 Page 86 of Audit Report for the year 2001-2002; Mis-Classification of Sugar Cane (Development) Cess Under Central Receipts Rs.2,429,631/-

16.02.2006 The Department explained that the amount had been credited into the correct head of account and got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

Audit Paras (Civil) for the year 2001-2002

1. Para No.1 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.

(1.1) District Food Controller, Rajanpur – Rs.225,000/-

(1.10) District Food Controller, M/Garh – Rs.15,000/-

2. Para No.4.5 Pages 12 & 111 of Audit Report for the year 2001-2002; Loss of Rs.16,317,847/- Due to Declassification of 718,436 Bags of Wheat.

District Food Controller, Faisalabad – Rs.48,369/-

3. Para No.10.2 Pages 16 & 17 of Audit Report for the year 2001-2002; Loss of Rs.23,840,437/- Due to Dispatch of 882,408 Defective Bags of Wheat to other Centers
District Food Controller, D. G. Khan – Rs.24,170/-
4. Para No.20.21 Pages 25, 26 & 27 of Audit Report for the year 2001-2002; Non Recovery of Heavy Government Dues Rs.186,636,381/- From Officials.
District Food Controller (PR), Lahore – Rs.145,000/-
5. Para No.36 Pages 36, 37 & 38 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.11,293,164/- Beyond Competency.
(36.2) District Food Controller, Rajanpur – Rs.38,400/-
(36.7) District Food Controller, Layyah – Rs.492,000/-
(36.8) District Food Controller, Layyah – Rs.147,500/-
(36.9) District Food Controller, Layyah – Rs.706,920/-
6. Para No.42 Pages 42 & 43 of Audit Report for the year 2001-2002; Irregular and Misclassified Payment of Transportation Charges Amounting to Rs.29,379,167/- Recovery of Income Tax Rs.587,583/-.
(42.4) District Food Controller (WP), Muzaffargarh – Rs.348,647/-
(42.9) District Food Controller, Vehari – Rs.1,644,588/-
7. Para No.43.3 Page 43 of Audit Report for the year 2001-2002; Non-Surrendering of Excess Budget Valuing Rs.13,499,902/-.
Deputy Director Food, Rawalpindi – Rs.3,149,192/-
8. Para No.62.1 Pages 57 & 58 of Audit Report for the year 2001-2002; Doubtful Payment to Temporary Chowkidars Worth Rs.820,675/-
District Food Controller II, Lahore – Rs.436,500/-
9. Para No.68 Pages 62 & 63 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.7,389,590/- on Purchase of Polythene Sheet and Insulation Tapes
(68.3) District Food Controller, Muzaffargarh – Rs.1,301,116/-
(68.4) District Food Controller, Layyah – Rs.77,000/-
(68.5) District Food Controller, Layyah – Rs.620,818/-

10. **Para No.72.2 Page 66 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.399,615/- on Account of Payments of Pending Liabilities.**

District Food Controller, Sargodha – Rs.143,586/-

18.02.2006 The Department explained that the contention of the department had been accepted by audit and had recommended these paras for settlement.

Audit verified the contention of the department and recommended these paras for settlement.

The paras were settled.

11. **Para No.1 Page 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to En-route Shortage of Wheat.**

(1.4) District Food Controller, Layyah Rs.1,448,416/-

(1.8) District Food Controller, Bhakkar Rs.155,000/-

(1.11) District Food Controller, M/Garh. Rs.2,879,560/-

(1.15) District Food Controller, Rawalpindi Rs.1,320,270/-

(1.17) District Food Controller, Rawalpindi Rs.4,357,420/-

(1.22) District Food Controller, Attock Rs.222,838/-

(1.23) District Food Controller, Attock Rs.40,212,875/-

(1.24) District Food Controller, Jhelum Rs.313,053/-

(1.32) District Food Controller, Gujranwala Rs.456,135/-

12. **Para No.2.6 Pages 9 & 10 of Audit Report for the year 2001-2002; Loss of Rs.16,345,513/- Due to Godown Shortage of Wheat.**

District Food Controller, Faisalabad Rs.56,668/-

13. **Para No.3 Pages 10, 11 & 12 of Audit Report for the year 2001-2002; Loss of Rs.7,505,608,716/- Due to Un-Acknowledged Dispatch of Bardana/Jute Bags/ A-Class Bags and Non-Production of GP-7 and Allocation Order of Wheat/ Bardana/Tarpaulin**

(3.1) District Food Controller, Sialkot Rs.3,175,494/-

(3.2) District Food Controller, Sialkot Rs.280,000/-

(3.4) District Food Controller, Rawalpindi Rs.2,639,740/-

(3.6) District Food Controller, Rawalpindi Rs.1,171,240/-

(3.7) District Food Controller, Khushab Rs.114,453/-

(3.11) District Food Controller, R.Y. Khan Rs.1,257,924,485/-

(3.14) District Food Controller, Sargodha Rs.4,879,000/-

(3.20) District Food Controller, Khanewal Rs.2,367,977,962/-

(3.23) District Food Controller, Bhakkar Rs.30,000/-

- 14. Para No.4 Pages 12 & 111 of Audit Report for the year 2001-2002; Loss of Rs.16,317,847/- Due to Declassification of 718,436 Bags of Wheat.**
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(4.2) District Food Controller, Rawalpindi Rs.672,888/-

(4.3) District Food Controller, Rawalpindi Rs.1,330,685/-

(4.6) District Food Controller, Sialkot Rs.287,298/-

(4.9) District Food Controller, Jhelum Rs.930,339/-

(4.14) District Food Controller, Attock Rs.1,065,199/-

(4.15) District Food Controller, Attock Rs.3,604,392/-

(4.16) District Food Controller, Sheikhpura Rs.1,308,069/-

- 15. Para No.6 Pages 14 & 112 of Audit Report for the year 2001-2002; Loss of Rs.25,320,637/- to Government on Account of Shortage of Wheat/ Bardana and Stock Articles.**
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(6.1) Secretary Food Punjab, Lahore, Rs.27,925/-

(6.7) District Food Controller, Gujranwala Rs.86,120/-

(6.8) Physical Verification of D.F.C. Multan Rs.4,450/-

(6.9) District Food Controller, Sialkot Rs.3,336,000/-

(6.12) District Food Controller, Rajanpur Rs.802,535/-

(6.18) District Food Controller, Sargodha Rs.45,654/-

(6.19) District Food Controller, R. Y. Khan Rs.464,510/-

(6.28) District Food Controller, Attock Rs.93,720/-

(6.29) District Food Controller, Attock Rs.74,240/-

(6.30) District Food Controller, Attock Rs.366,896/-

(6.34) District Food Controller, Sialkot Rs.604,962/-

(6.40) District Food Controller, Rawalpindi Rs.58,240/-

- (6.44) District Food Controller, Rajanpur Rs.75,000/-**
- (6.46) District Food Controller, Jhang Rs.150,000/-**
16. **Para No.9 Page 16 of Audit Report for the year 2001-2002; Loss of Rs.4,154,994/- Due to Use of “A” Class Bags Instead of “B” Class Bags While Selling Wheat**
17. **Para No.10 Pages 16 & 17 of Audit Report for the year 2001-2002; Loss of Rs.23,840,437/- Due to Dispatch of 882,408 Defective Bags of Wheat to Other Centers**
- (10.1) District Food Controller, Rawalpindi Rs.15,361,461/-**
- (10.3) District Food Controller, R.Y. Khan Rs.3,310,794/-**
18. **Para No.12 Pages 18 & 19 of Audit Report for the year 2001-2002; Misappropriation of Aluminum Phosphate Tablets Valuing Rs.504,585/-**
- (12.1) District Food Controller, Rawalpindi Rs.196,878/-**
- (12.2) District Food Controller, Attock Rs.156,807/-**
19. **Para No.17 Pages 23 & 24 of Audit Report for the year 2001-2002; Non/ Less Recovery of Rs.9,916,976/- on Account of Income/ Sale Tax.**
- (17.3) District Food Controller, Sahiwal Rs.676,997/-**
- (17.6) Secretary Food Punjab, Lahore Rs.13,576/-**
- (17.11) District Food Controller, Jhang Rs.543,426/-**
- (17.14) District Food Controller, Mianwali Rs.11,227/-**
20. **Para No.18 Page 24 of Audit Report for the year 2001-2002; Non-Recovery of Empty Bags, Poly Pirine Bags and B-Class Bags From Growers/ Flour Mills/ Commission Agents – Rs.2,925,786/-**
- (18.1) District Food Controller, Sialkot Rs.785,079/-**
- (18.3) District Food Controller, Sialkot Rs.1,971,675/-**
- (18.4) District Food Controller, Sialkot Rs.85,170/-**
21. **Para No.19.4 Page 25 of Audit Report for the year 2001-2002; Non-Recovery of A & B Class Bags From Growers/ Defence Valuing Rs.3,947,207/-**
- District Food Controller, Multan Rs.1,018,197/-**

22. Para No.20 Pages 25, 26 & 27 of Audit Report for the year 2001-2002; Non Recovery of Heavy Government Dues Rs.186,636,381/- From Officials.
- (20.2) District Food Controller, Khanewal Rs.992,460/-
(20.3) District Food Controller, Khanewal Rs.40,613/-
(20.8) District Food Controller, Jhang Rs.297,000/-
(20.15) District Food Controller, Khanewal Rs.276,000/-
(20.16) District Food Controller, Sargodha Rs.81,702/-
(20.18) District Food Controller (WP), Khanewal Rs.1,161,900/-
(20.22) District Food Controller, Sialkot Rs.39,196/-
23. Para No.21.2 Page 27 of Audit Report for the year 2001-2002; Non-Recovery of Penalty From the Contractors Rs.446,102/-
- District Food Controller, R.Y .Khan Rs.302,045/-
24. Para No.26 Page 30 of Audit Report for the year 2001-2002; Loss of Rs.397,440/- Due to Sale of 17,280 A-Class Bags as B Class Bags.
25. Para No.33 Pages 34 & 35 of Audit Report for the year 2001-2002; Un-Authorized Payment of Rs.5,665,008/- Due to Excess Dispatch of 642 M. Tons Wheat
26. Para No.35 Pages 36 & 114 of Audit Report for the year 2001-2002; Loss of Rs.63,270,564/- Due to De-Classification of Bags, Tarpaulins and Stock Articles
- (35.1) District Food Controller, Jhelum Rs.293,150/-
(35.2) District Food Controller, Jhelum Rs.263,991/-
(35.5) District Food Controller, Sialkot Rs.290,359/-
(35.7) District Food Controller, Sialkot Rs.200,124/-
(35.8) District Food Controller, Sialkot Rs.71,155/-
(35.15) District Food Controller II, Lahore Rs.1,641,120/-
(35.19) District Food Controller, Chakwal Rs.73,324/-
(35.20) District Food Controller, Jhang Rs.876,936/-
(35.22) District Food Controller, T.T. Singh Rs.362,451/-
(35.24) District Food Controller, Attock Rs.91,168/-
(35.25) District Food Controller, Rawalpindi Rs.2,518,372/-

- (35.26) District Food Controller, Rawalpindi Rs.596,462/-**
(35.28) District Food Controller, Rawalpindi Rs.248,555/--
(35.31) District Food Controller, Kasur Rs.565,968/-
27. **Para No.36 Pages 36, 37 & 38 Audit Report for the year 2001-2002; Irregular Expenditure of Rs.11,293,164/- Beyond Competency.**

- (36.3) District Food Controller, Sargodha Rs.153,890/-**
(36.11) District Food Controller, Rawalpindi Rs.917,740/-
(36.12) District Food Controller, Sheikhupura Rs.179,027/-
(36.13) District Food Controller, Jhang Rs.242,996/-
(36.15) District Food Controller I, Lahore Rs.4,539,379/--
(36.17) District Food Controller, Sahiwal Rs.362,250/-
(36.18) District Food Controller, Khanewal Rs.759,500/-
28. **Para No.38 Page 39 of Audit Report for the year 2001-2002; Irregular Purchase of Bardana Valuing Rs.1,595,849/- In spite of Having P.R. Bardana.**

- (38.1) District Food Controller, Jhang Rs.1,211,855/-**
(38.2) District Food Controller, Faisalabad Rs.383,994/-
29. **Para No.40 Pages 40 & 41 of Audit Report for the year 2001-2002; Irregular and Un-Authorized Payment of Rewards Amounting to Rs.62,265,744/-**

30. **Para No.41 Pages 41 & 42 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.11,122,946/- on Account of Purchase of Empty Bags Loss of Rs.1,668,441/- and Rs.389,303/- Due to Non Deduction of Sales Tax and Income Tax respectively**

31. **Para No.42 Pages 42 & 43 of Audit Report for the year 2001-2002; Irregular and Misclassified Payment of Transportation Charges Amounting to Rs.29,379,167/- Recovery of Income Tax Rs.587,583/-**

- (42.6) District Food Controller, Khanewal Rs.6,371,252/-**
(42.7) District Food Controller, Sahiwal Rs.7,249,603
(42.8) District Food Controller, Bahawalnagar Rs.1,033,305/-
32. **Para No.44 Page 44 of Audit Report for the year 2001-2002; Unauthorized Retention of Huge Cash in Chest Rs.8,897,256/-**

33. Para No.45 Pages 44 & 45 of Audit Report for the year 2001-2002; Wasteful Expenditure of Rs.2,682,708/- Incurred on Purchase of Two Luxury Vehicles.
34. Para No.46 Page 45 of Audit Report for the year 2001-2002; Irregular Issuance of 356,490 Bags of Wheat Valuing Rs.302,810,200/-
35. Para No.48 Pages 46 & 47 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,658,700/- on Printing.
- (48.1) District Food Controller, Multan Rs.240,103/-
- (48.2) District Food Controller, Bahawalpur Rs.668,928/-
36. Para No.49 Pages 47 & 48 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,932,705/- on Appointment of Temporary Chowkidars
- (49.2) District Food Controller, Rawalpindi Rs.613,820/-
- (49.3) District Food Controller, Attock Rs.1,127,360/-
37. Para No.50.1 Pages 48 & 49 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,650,615/- On Weighing Bridge Beyond Competency
- District Food Controller, Lahore Rs.1,588,000/-
38. Para No.51 Pages 49 & 50 of Audit Report for the year 2001-2002; Irregular Payment of Rs.698,961/- to the Market Committee on Account of Market Fee.
- (51.1) District Food Controller, Bahawalnagar Rs.90,592/-
- (51.2) District Food Controller, T. T. Singh Rs.168,199/-
- (51.3) District Food Controller, Gujranwala Rs.440,170/-
39. Para No.52.2 Page 50 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.365,337/- From Wrong Head of Account.
- District Food Controller, T.T. Singh Rs.129,781/-
40. Para No.56.2 Pages 53 & 54 of Audit Report for the year 2001-2002; Irregular Expenditure Beyond Competency of Rs.145,217/-
- District Food Controller, Rajanpur Rs.32,533/-
41. Para No.59 Pages 55 & 56 of Audit Report for the year 2001-2002; Irregular Purchase of Polythine Worth Rs.1,392,130/-

42. Para No.60 Page 56 of Audit Report for the year 2001-2002; Irregular Appointment of Beldars Against the Post of Sweepers at a Cost of Rs.571,132/-
43. Para No.62.2 Pages 57 & 58 of Audit Report for the year 2001-2002; Doubtful Payment to Temporary Chowkidars Worth Rs.820,675/-
District Food Controller, Bahawalnagar Rs.291,575/-
44. Para No.65 Page 60 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.234,591/- on Account of Hiring of Private Godowns Without Contractors During Scheme 2000-2001.
45. Para No.68 Pages 62 & 63 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.7,389,590/- on Purchase of Polythene Sheet and Insulation Tapes
(68.6) District Food Controller, Bhakkar Rs.830,685/-
(68.9) District Food Controller, Sahiwal Rs.1,497,218/-
(68.11) District Food Controller, Multan Rs.1,011,570/-
46. Para No.69.2 Pages 63 & 64 of Audit Report for the year 2001-2002; Irregular/ Doubtful Expenditure of Rs.1,132,326/- on Account of Repair of Vehicles.
Director Food Punjab, Lahore Rs.2,949,131/-
47. Para No.75 Page 68 of Audit Report for the year 2001-2002; Irregular/ Un-Authorized Payment of Rs.105,260/- on Account of Construction of Temporary Plinths
48. Para No.77 Pages 69 & 70 of Audit Report for the year 2001-2002; Illegal/ Un-Authorized Payment of Rs.95,395/- on Account of Commission Charges.
49. Para No.83 Page 73 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.60,547/- on Account of Enhancement of Building Rent.
50. Para No.84 Page 74 of Audit Report for the year 2001-2002; Irregular Purchase of Summer and Winter Uniform Worth Rs.57,404/-
51. Para No.85.2 Page 75 of Audit Report for the year 2001-2002; Loss of Rs.11,454,120/- Due to Substandard Purchase of Aluminum Phosphate Tablets
District Food Controller, Multan Rs.5,157,400/-

52. Para No.86 Page 76 of Audit Report for the year 2001-2002; Loss of Rs.539,434/- Due to Sale of New P.P Bags at Lesser Rate - Recovery Thereof.

(86.1) District Food Controller, II, Lahore Rs.331,376/-

(86.2) District Food Controller, Jhang Rs.208,058/-

53. Para No.87 Pages 76 & 77 of Audit Report for the year 2001-2002; Loss of Rs.254,400/- Due to Sale of Imported Retrieved Bags at lesser Rate.

54. Para No.88 Pages 77 & 78 of Audit Report for the year 2001-2002; Blockage of Government Funds Amounting to Rs.3,024,000/- Due to Non Use of P.P Bags and Sale of New PP Bags at Lesser Rate Loss of Rs.198,135/-

55. Para No.91.1 Pages 79 & 80 of Audit Report for the year 2001-2002; Non-Production of Challans Worth Rs.31,865,717/-

District Food Controller, Sialkot Rs.19,534,850/-

56. Para No.94 Page 82 of Audit Report for the year 2001-2002; Non Production of Record on Account of Irregular Purchase of Polythene and Scottish Tapes Worth Rs.713,955/-

57. Para No.97 Page 84 of Audit Report for the year 2001-2002; Non-Production of Record of Medicine/ Pesticides Valuing Rs.3,134,517/-

27.02.2007 The Department explained that audit observations in respect of above paras had been properly addressed to and necessary action had been completed and record had been got verified by audit.

On the recommendation of audit, the above paras were settled.

58. Para No.1.5 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.

District Food Controller, Layyah – Rs.105,000/-

59. Para No.3.3 Pages 10, 11 & 12 of Audit Report for the year 2001-2002; Loss of Rs.7,505,608,716/- Due to Un-Acknowledged Dispatch of Bardana/Jute Bags/A-Class Bags and Non-Production of GP-7 and Allocation Order of Wheat/Bardana/Tarpauline.

District Food Controller, Layyah – Rs.777,600/-

60. Para No.4.13 Pages 12 & 111 of Audit Report for the year 2001-2002; Loss of Rs.16,317,847/- Due to Declassification of 718,436 Bags of Wheat.

District Food Controller, Vehari – Rs.149,914/-

61. Para No.6 Pages 14 & 112 of Audit Report for the year 2001-2002; Loss of Rs.25,320,637/- to Government on Account of Shortage of Wheat/Bardana and Stock Articles.

(6.6) District Food Controller, D. G. Khan – Rs.28,121/-

(6.37) District Food Controller, Bhakkar – Rs.31,500/-

62. Para No.19.2 Page 25 of Audit Report for the year 2001-2002; Non-Recovery of A & B Class Bags From Growers/Defence Valuing Rs.3,947,207/-.

District Food Controller, D. G. Khan – Rs.801,200/-

63. Para No.35 Pages 36 & 114 of Audit Report for the year 2001-2002; Loss of Rs.63,270,564/- Due to De-Classification of Bags, Tarpaulins and Stock Articles

(35.3) District Food Controller, Jhelum – Rs.87,388/-

(35.21) District Food Controller, Vehari – Rs.1,039,720/-

64. Para No.36 Pages 36, 37 & 38 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.11,293,164/- Beyond Competency.

(36.1) District Food Controller, Faisalabad – Rs.345,507/-

(36.4) District Food Controller, Muzaffargarh – Rs.32,000/-

(36.6) District Food Controller, Muzaffargarh – Rs.30,420/-

(36.10) District Food Controller, D. G. Khan – Rs.94,500/-

65. Para No.42 Pages 42 & 43 of Audit Report for the year 2001-2002; Irregular and Misclassified Payment of Transportation Charges Amounting to Rs.29,379,167/- Recovery of Income Tax Rs.587,583/-.

(42.1) District Food Controller, Layyah – Rs.2,189,348/-

(42.3) District Food Controller (WP), Mianwali – Rs.335,410/-

(42.5) District Food Controller, R. Y. Khan – Rs.9,990,509/-

66. **Para No.62.3 Pages 57 & 58 of Audit Report for the year 2001-2002; Doubtful Payment to Temporary Chowkidars Worth Rs.820,675/-**

District Food Controller, Faisalabad – Rs.92,600/-

67. **Para No.68.2 Pages 62 & 63 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.7,389,590/- on Purchase of Polythene Sheet and Insulation Tapes.**

District Food Controller, D. G. Khan – Rs.45,109/-

68. **Para No.69.3 Pages 63 & 64 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,132,326/- on Account of Repair of Vehicles.**

Deputy Director Food, Rawalpindi – Rs.71,544/-

69. **Para No.72 Page 66 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.399,615/- on Account of Payments of Pending Liabilities.**

(72.1) Deputy Director Food Punjab, Lahore – Rs.157,226/-

(72.3) District Food Controller, Faisalabad – Rs.98,803/-

17.02.2006 The Department explained that the contention of the Department in the above mentioned paras had been accepted by audit.

Audit stated that the contention of the Department in the above mentioned paras had been accepted and recommended these paras for settlement.

The paras were settled.

70. **Para No.1 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.**

(1.12) District Food Controller, M/Garh – Rs.1,310,000/-

18.02.2006 The Department explained that the para consisted of two parts:-

A- PR Centre Pattal Munda 204 Tarpaulins

The Department explained that 204 tarpaulins had been declassified by the competent authority and were auctioned. Their sale proceeds had been deposited into the government treasury. The loss had been declared as natural by the competent authority.

Audit verified the contention of the Department and recommended this part for settlement.

This part was settled.

B- PR, H Palloo 58 tarpaulins

The Department explained that the concerned official was proceeded against PRSO and he was dismissed from the service. Recovery had been imposed and demand for recovery as arrears of land revenue had been created against him.

The Committee **kept this part pending** with the direction that the recovery be made at the earliest.

(1.14) District Food Controller, D. G. Khan – Rs.120,000/-

17.02.2006 The Department explained that 19 tarpaulins of Kot Chutta Centre were received at PR Centre, DG Khan on 08-2002 in sound condition. So far as 05 Tarpaulins of Manna Ahmdani Centre were concerned, these were received at PR Centre, DG Khan as unserviceable, which was declared unserviceable by the competent authority and the same had been auctioned. The auction money had been deposited into the government treasury.

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

(1.16) District Food Controller, Rawalpindi Rs.675,620/-

27.02.2007 The Department explained that the matter was investigated by the DFC who concluded that approval of declassification had been obtained from the competent authority and the store in question had been auctioned and auction money had been deposited into government treasury.

Audit stated that at the time of audit the store was shown unserviceable in record without approval of the competent authority.

The Committee **kept the para pending** with the directions that remarks regarding declassification of store, should not be entered in the record without approval of the competent authority and in the instant case action should be taken against the person who was responsible for this lapse.

(1.18) District Food Controller I, Lahore– Rs.165,348/-

18.02.2006 The Department explained that the para consisted of five parts:-

Item No. (I) Nawabzada 573 bags valuing Rs.15,471/-

Item No. (III) 264 NB 613 bags valuing Rs.11,151/-

The Department explained that the recovery of Rs.26,622/- had been made and got verified by audit.

Audit verified the contention of the Department and recommended these items for settlement.

The items were settled.

Item No. (II) Banglaw Accha 2449 bags valuing Rs.66,123/-

The Department explained that the item was included in DP No. 10.3 for the year 2001-2002 and requested for its deletion.

The Committee **deleted this item subject to verification** by audit.

Item No. (IV) PR Centre 1565 bags valuing Rs.42,255/-

The Department explained that the recovery had been imposed and efforts were being made for early recovery.

The Committee **kept this item pending** with the directions that the recovery be made at the earliest.

Item No. (V) PR Centre Khudian 1124 bags valuing Rs.30,348/-

The Department explained that the demand had been created for recovery as arrears of land revenue and the case had also been referred to Anti Corruption Establishment.

The Committee **kept the para pending** with the directions that the recovery be made at the earliest.

(1.20) District Food Controller II, Lahore – Rs.50,082/-

18.02.2006 The Department explained that the para consisted of two parts:-

I- 1666 bags

The Department explained that the approval of declassification of 1666 bags had been made by the authority on 06-01-2005 and the recovery of Rs.27.00 per bag had been imposed on the responsible official after deducting the auction price. It was also stated that the advertisement for auction had been issued in the press and the auction would be made within one month.

This part was kept pending

II- 17 Tarpaulins

The Department explained that the survey report of 17 tarpaulins was submitted to the authority and after observing all the legal formalities, who had declassified 17 tarpaulins on 29-10-2003. The same had been auctioned and the auction money amounting to Rs.510/- had been deposited into government treasury.

The Committee **settled this part.**

- 71. Para No.1.21 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.**
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District Food Controller, Kasur – Rs.165,699/-

- 72. Para No.2.7 Pages 9 & 10 of Audit Report for the year 2001-2002; Loss of Rs.16,345,513/- Due to Godown Shortage of Wheat.**
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District Food Controller, Kasur – Rs.4,024,421/-

18.02.2006 The Department explained that during 2000-2001 Mr. Muhammad Yaseen Khan, FGI handed over 6137 B-class bags as d-class. The official was proceeded against under the rules and he was compulsorily retired from service. A case was also got registered against him in the Anticorruption Establishment. The demand for recovery had been created as arrears of land revenue.

The Committee **kept the paras pending** with the directions that the recovery be made at the earliest.

- 73. Para No.1.26 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.**
-

District Food Controller, Mianwali – Rs.69,373/-

17.02.2006 The Department explained that the matter was inquired by the Deputy Director Food, Sargodha and a recovery of Rs.74,328/- was imposed upon the officials M/s. Tariq Mehmood Khan, AFC and Abul Hassan Khan, FGS and their services were terminated. The concerned officials had filed an appeal in the Honorable Punjab Service Tribunal from where the case was decided in their favour. The Department moved the case to the Solicitor for filing the appeal in the Apex Court which was turned down by the Solicitor Department with the remarks “that the case was not fit for filing CPLA in Hon’ble Supreme Court of Pakistan”. The Department wanted to move the case for write off to the FD.

The para was kept pending.

74. **Para No.1.27 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.**
-

District Food Controller, Mianwali – Rs.193,200/-

75. **Para No.3.5 Pages 10, 11 & 12 of Audit Report for the year 2001-2002; Loss of Rs.7,505,608,716/- Due to Un-Acknowledged Dispatch of Bardana/Jute Bags/A-Class Bags and Non-Production of GP-7 and Allocation Order of Wheat/Bardana/Tarpauline.**
-

District Food Controller, Khushab – Rs.2,731,400/-

76. **Para No.4.4 Pages 12 & 111 of Audit Report for the year 2001-2002; Loss of Rs.16,317,847/- Due to Declassification of 718,436 Bags of Wheat.**
-

District Food Controller, Sargodha – Rs.211,301/-

77. **Para No.6.17 Pages 14 & 112 of Audit Report for the year 2001-2002; Loss of Rs.25,320,637/- to Government on Account of Shortage of Wheat/Bardana and Stock Articles.**
-

District Food Controller, Mianwali – Rs.85,200/-

78. **Para No.11 Pages 17 & 18 of Audit Report for the year 2001-2002; Non-Disbursement of Recovered Money of Rs.1,174,950/- and Irregularly Kept in Bank Account**
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79. **Para No.30 Pages 32 & 33 of Audit Report for the year 2001-2002; Loss of Rs.73,483/- Due to Unjustified Waiving of Penalty and Recovery Thereof.**
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17.02.2006 The Department explained that these paras were discussed by the SDAC in its meeting held on 31-7-2004 and 20-09-2003 and were settled after verification of record.

Audit verified the contention of the Department and recommended these paras for settlement.

The paras were settled.

80. **Para No.1.28 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.**
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District Food Controller, Gujrat – Rs.46,200/-

18.02.2006 The Department explained that the same draft para was also included in DP No. 22.40 of audit report for the year 2000-2001 and requested for deletion of the para.

Audit verified the contention of the Department and recommended for deletion of the para.

The para was deleted.

81. **Para No.2.1 Pages 9 & 10 of Audit Report for the year 2001-2002; Loss of Rs.16,345,513/- Due to Godown Shortage of Wheat.**
-

District Food Controller, Jhelum – Rs.25,994/-

82. **Para No.6.10 Pages 14 & 112 of Audit Report for the year 2001-2002; Loss of Rs.25,320,637/- to Government on Account of Shortage of Wheat/Bardana and Stock Articles.**
-

District Food Controller, Faisalabad – Rs.40,558/-

83. **Para No.15.2 Page 21 of Audit Report for the year 2001-2002; Overpayment of Rs.118,936/- on Account of Delivery Charges of Wheat.**
-

District Food Controller (WP), Layyah – Rs.12,014/-

84. **Para No.17.10 Pages 23 & 24 of Audit Report for the year 2001-2002; Non/Less Recovery of Rs.9,916,976/- on Account of Income/Sale Tax.**
-

District Food Controller, Faisalabad – Rs.1,814,373/-

85. **Para No.27 Page 31 of Audit Report for the year 2001-2002; Loss of Rs.100,220/- Due to Exchange of A Class Bags with B Class Bags.**
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17.02.2006 The Department explained that the total recovery as pointed out by audit had been recovered and got verified by audit.

Audit verified the contention of the Department and recommended the paras for settlement.

The paras were accordingly settled.

86. **Para No.2.3 Pages 9 & 10 of Audit Report for the year 2001-2002; Loss of Rs.16,345,513/- Due to Godown Shortage of Wheat.**
-

District Food Controller, Gujrat – Rs.61,616/-

87. **Para No.15.1 Page 21 of Audit Report for the year 2001-2002; Overpayment of Rs.118,936/- on Account of Delivery Charges of Wheat.**
-

District Food Controller, Gujranwala – Rs.106,922/-

88. **Para No.35 Pages 36 & 114 of Audit Report for the year 2001-2002; Loss of Rs.63,270,564/- Due to De-Classification of Bags, Tarpaulins and Stock Articles**

(35.14) District Food Controller II, Lahore – Rs.188,805/-

(35.16) District Food Controller II, Lahore – Rs.16,771/-

18.02.2006 The Department explained that the entire amount had been recovered and deposited into the government treasury.

Audit verified the contention of the Department and recommended the paras for settlement.

The paras were settled.

89. **Para No.2 Pages 9 & 10 of Audit Report for the year 2001-2002; Loss of Rs.16,345,513/- Due to Godown Shortage of Wheat.**

(2.2) District Food Controller, Khanewal Rs.331,653/-

27.02.2007 The Department explained that the matter was subjudice in the Lahore High Court Lahore and was being pursued vigorously.

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

(2.8) District Food Controller, Kasur – Rs.1,040,649/-

18.02.2006 The Department explained that an inquiry was conducted into the matter and Mr. Saleem Ahmed Arshi, FGI was found responsible. He was proceeded under removal from Service (Special Powers) ordinance 2000 and was dismissed from service besides recovery of Rs.916,655.27 imposed on him on 10.4.2002. The ex-official filed an appeal against the orders dated 10.04.2002 before the Director Food Punjab Lahore and the case was remanded for fresh inquiry on 02.12.2003. The said official had been reinstated in service and *denovo* inquiry was still in process. Charge sheet had been issued to the concerned official. It was also stated that a case was got registered against him in the Anti Corruption Establishment and the next date of the hearing in the case was fixed for 25.02.2006.

The Committee **kept the para pending.**

(2.9) District Food Controller, Kasur – Rs.558,084/-

18.02.2006 The Department explained that a Show Cause Notice was issued to M/s. Muneer Flour Mill under Food Grains Licensing Control Order 1957 as well as agreement executed with department and finally penalty of Rs.558,084/- was imposed on

the said flour mill. The security of the flour mill was forfeited and the property of the flour mill had been attached for recovery of the penalty.

The Committee **kept the para pending** with the directions that the recovery be made at the earliest.

- 90. Para No.3.8 Pages 10, 11 & 12 of Audit Report for the year 2001-2002; Loss of Rs.7,505,608,716/- Due to Un-Acknowledged Dispatch of Bardana/Jute Bags/A-Class Bags and Non-Production of GP-7 and Allocation Order of Wheat/Bardana/Tarpauline.**
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District Food Controller, Jhelum – Rs.1,232,955/-

18.02.2006 The Department explained that the receipts of 45665 bags had been got verified by audit from the recipient centers.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 91. Para No.3.12 Pages 10, 11 & 12 of Audit Report for the year 2001-2002; Loss of Rs.7,505,608,716/- Due to Un-Acknowledged Dispatch of Bardana/Jute Bags/A-Class Bags and Non-Production of GP-7 and Allocation Order of Wheat/Bardana/Tarpauline.**
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District Food Controller, R. Y. Khan – Rs.15,892,238/-

- 92. Para No.6.38 Pages 14 & 112 of Audit Report for the year 2001-2002; Loss of Rs.25,320,637/- to Government on Account of Shortage of Wheat/Bardana and Stock Articles.**
-

District Food Controller, Bhakkar – Rs.11,554/-

- 93. Para No.18.2 Page 24 of Audit Report for the year 2001-2002; Non-Recovery of Empty Bags, Poly Pirine Bags and B-Class Bags From Growers/Flour Mills/Commission Agents-Rs.2,925,786/-.**
-

District Food Controller (WP), R. Y. Khan – Rs.83,862/-

- 94. Para No.19.1 Page 25 of Audit Report for the year 2001-2002; Non-Recovery of A & B Class Bags From Growers/Defence Valuing Rs.3,947,207/-.**
-

District Food Controller (WP), Layyah – Rs.41,250/-

95. **Para No.90.2 Page 79 of Audit Report for the year 2001-2002; Non-Production of Record on Account of Transportation Charges Amounting to Rs.5,139,639/-**
-

District Food Controller, R. Y. Khan Rs.411,171/-

96. **Para No.91.3 Pages 79 & 80 of Audit Report for the year 2001-2002; Non-Production of Challans Worth Rs.31,865,717/-.**
-

District Food Controller, R. Y. Khan – Rs.1,740,008/-

17.02.2006 The Department explained that the record of the above mentioned paras had been produced to Audit which had seen and verified that the contention of the department was maintainable.

Audit verified the contention of the Department and recommended the paras for settlement.

The paras were settled.

97. **Para No.3 Pages 10, 11 & 12 of Audit Report for the year 2001-2002; Loss of Rs.7,505,608,716/- Due to Un-Acknowledged Dispatch of Bardana/Jute Bags/A-Class Bags and Non-Production of GP-7 and Allocation Order of Wheat/Bardana/Tarpauline.**
-

(3.13) District Food Controller, R. Y. Khan – Rs.5,200,000/-

18.02.2006 The Department explained that 2100 tarpaulins were allocated by the Food Directorate of Punjab for dispatches to Sindh Province. The acknowledgement of the same was available for verification.

Audit verified the acknowledgement and recommended the para for settlement.

The para was settled.

(3.22) District Food Controller, Rajanpur – Rs.1,075,200/-

18.02.2006 The Department explained that the acknowledgement in form GP.7 of 96 bails dispatched from Mithankot II to PR Centre Ahmadpur Sharqiya District Bhawalpur was available for verification.

Audit verified the GP.7 and recommended the para for settlement.

The para was settled.

(3.24) District Food Controller (WP), Rajanpur – Rs.250,000/-

18.02.2006 The Department explained that 50 tarpaulins B-class were dispatched from flag center Mithankot to PR Centre Jamanshah District Liyyah which had been acknowledged vide GP.7 dated 15-6-2000.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

98. Para No.5 Page 13 of Audit Report for the year 2001-2002; Loss of Rs.425,000/- Due to Dacoity of Government Vehicle No.8910-VRE and Non Production of Log Book History Sheet Involving Expenditure of Rs.71,679/-

18.02.2006 The Department explained that the case for write off loss had been moved to the Finance Department.

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

99. Para No.6 Pages 14 & 112 of Audit Report for the year 2001-2002; Loss of Rs.25,320,637/- to Government on Account of Shortage of Wheat/Bardana and Stock Articles.

(6.11) District Food Controller, Faisalabad – Rs.4,262,660/-

17.02.2006 The Department explained that the short fall was due to non-receipts by the recipient end which had been accounted for in the stocks of dispatching end. The record was available for verification.

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

(6.15) District Food Controller, Rajanpur Rs..25,913/-

27.02.2007 The Department explained that entire bardana had been issued to the flour mills and cost thereof had been recovered and no loss was sustained by the government and DFC, Rawalpindi and Attock had also issued a certificate in this regard which had been got verified by audit.

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

(6.16) District Food Controller, Mianwali – Rs.153,000/-

17.02.2006 The Department explained that the total recovery amounting to Rs.76,500/- @20 per bag had been recovered as per the government instructions and deposited into the government treasury.

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

(6.26) District Food Controller, Kasur Rs.60,000/-

27.02.2007 The Department explained that 20 tarpaulins had been acknowledged by the recipient formation and all the stock had been disposed off and the tarpaulins had been turned back to PRC, Chunian and the stock articles register had also been received back from Anti corruption establishment.

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

(6.39) District Food Controller, Rawalpindi – Rs.167,850/-

18.02.2006 The Department explained that the para was discussed by SDAC meeting held on 28.8.2003 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** with the observation that Draft Paras included in the audit Report should not be considered by the SDAC.

(6.45) District Food Controller, Khanewal Rs.75,000/-

27.02.2007 The Department explained that the responsible official had been proceeded against under the E&D rules and the recovery was imposed by the competent authority and demand had also been created for recovery as arrears of land revenue.

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

100. Para No.12.3 Pages 18 & 19 of Audit Report for the year 2001-2002; Misappropriation of Aluminum Phosphate Tablets Valuing Rs.504,585/-

District Food Controller, Sheikhpura Rs.150,900/-

27.02.2007 The Department explained that all the entries had been made in the relevant registers which could be verified by audit.

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

101. Para No.13 Page 19 of Audit Report for the year 2001-2002; Unjustified Use of 31,407 A.P. Tablets Valuing Rs.94,221/- Due to Fictitious Fumigation.

27.02.2007 The Department explained that fumigation of gunjies was carried out as per instructions of government and all procedural formalities were observed. Moreover, the fumigation of gunjies was essential to keep the wheat in useful condition for human consumption.

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

102. Para No.16 Pages 22 of Audit Report for the year 2001-2002; Overpayment of Rs.86,705/- on Account of Rental Charges of Private Godowns.

17.02.2006 The Department explained that the tenders for handling of wheat were invited through press on 10-10-2000 but no response was received. Due to which loading work of wheat bags being dispatched from Shah Jamal to Balochistan and Khan Garh to NWFP was got done by calling quotations and all the codal formalities were fulfilled. It was also stated that the Deputy Director being category-I officer was competent to incur expenditure on loading/unloading of the wheat upto Rs.25,000/-.

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

103. Para No.17 Pages 23 & 24 of Audit Report for the year 2001-2002; Non/Less Recovery of Rs.9,916,976/- on Account of Income/Sale Tax.

(17.1) Deputy Director Food, D. G. Khan – Rs.28,129/-

(17.4) District Food Controller, Muzaffargarh – Rs.215,218/-

(17.13) District Food Controller, Rajanpur – Rs.55,039/-

18.02.2006 The Department explained that the particulars of the sellers had been conveyed to Sales Tax Department on 06-01-2006 as per the directions of PAC meeting held on 12/14-07-2005.

The Committee accepted the explanation of the Department and **the paras were settled.**

(17.9) District Food Controller, Bahawalpur Rs.197,727/-

27.02.2007 The Department explained that recovery on account of less deduction of income tax had been effected whereas due to bumper crops tarpaulins were purchased on emergency basis and no sales tax was paid/withdrawn from the government treasury.

The Committee **settled the para** with the directions that such lapses should be avoided in future.

(17.15) District Food Controller, Sheikhpura – Rs.4,896,581/-

17.02.2006 The Department explained that Rs.4,89658/- had been paid against purchase of Polythene sheet at different PR Centre during scheme 2000-01 by the Incharge Centers on loan basis in the best interest of Government for safety of open wheat stock for fumigation of wheat stocks after obtaining sanction from the competent authority i.e. Deputy Director Food, Lahore division Lahore. Due to purchase of polythene sheet from 7 shopkeepers (retailers) item wise reply is as under:-

1. Income Tax amounting to Rs.17,148/- had been recovered and deposited into government treasury vide TC No. 10 dated 15-1-2006.
2. As regard deduction of GST Rs.67,542/- each memo's invoices purchase of polythene sheets, the concerned firms had already given GST Registration Numbers.

It was also stated that actual payee receipts had been got verified by Audit.

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

104. Para No.20 Pages 25, 26 & 27 of Audit Report for the year 2001-2002; Non Recovery of Heavy Government Dues Rs.186,636,381/- From Officials.

(20.1) District Food Controller, Khanewal Rs.6,992,250/-

27.02.2007 The Department explained that recovery involved in the para was outstanding against different officials of the department and partial recovery had been effected whereas efforts were being made for balance recovery.

The Committee directed the department to expedite the recovery and intimate the latest position of the para within seven days. Moreover, criminal case be got registered against Mr. Talib Hussain, ex-FGI.

The para was kept pending.

(20.5) District Food Controller I, Lahore – Rs.1,937,520/-

18.02.2006 The Department explained that an inquiry was conducted into the matter and as a result of inquiry the case for write off had been submitted to Finance Department.

The Committee **kept the para pending** till the write off sanction by the Finance Department.

(20.6) District Food Controller, Lahore – Rs.376,068/-

18.02.2006 The Department explained that the para had no concern with the DFC Lahore and related to the DFC Okara and requested that it should be deleted from DFC-I Lahore and included in DFC Okara.

The Committee acceded to the request of the department.

The para was kept pending.

(20.12) District Food Controller, Kasur – Rs.6,827,260/-

18.02.2006 The Department stated that necessary action had been taken in respect of audit objection and audit had verified the departmental contention.

Audit recommended the para for settlement.

The para was accordingly settled.

(20.17) District Food Controller, Khushab Rs.155,862/-

27.02.2007 The Department explained that out of total recovery of Rs.9,997/- had been recovered from Mr. Muhammad Zafar, ex-FGI and the remaining amount relating to shortage of godowns was recoverable from the ex-official, who had filed a civil suit against the recovery which was under process in the court of law.

The para was kept pending with the directions that department should pursue the matter vigorously and explain the latest position in the next meeting of the PAC.

(20.19) District Food Controller, Bahawalnagar Rs.111,780/-

27.02.2007 The Department explained that as a result of departmental inquiry Mr. Mureed Hussain FGS was held responsible and full recovery was imposed on him alongwith dismissal from service and demand had been created with District Collector Bhawalnagar for recovery and criminal case had also been registered in the anti corruption establishment, Wherein the accused was fined by the court and the official had completed his imprisonment. Moreover, the case for write off sanction had been submitted for orders of the competent authority.

The Committee **kept the para pending** for write off sanction with the directions that in future no remarks should be entered in the record regarding classification of bardana without approval of the competent authority.

105. Para No.23 Pages 28 & 29 of Audit Report for the year 2001-2002; Non Recovery of Cost of 14,499 M. Ton Wheat Valuing Rs.119,906,730/-

27.02.2007 The Department explained that entire amount on account of wheat stocks dispatched to Defence Authorities had been recovered and no income tax was applicable in the case.

The Committee **settled the para subject to verification** of requisite record by audit.

106. Para No.24 Page 29 of Audit Report for the year 2001-2002; Non Recovery of Cost of Imported Aluminum Phosphate Tablets Worth Rs.13,298,870/-.

18.02.2006 The Department explained that actually 35997 kgs AP tablets were sold to PASCO and the payment amounting to Rs.14,362,802/- had been received from PASCO. The treasury challans were available for verification.

Audit verified the treasury challans and recommended the para for settlement.

The para was settled.

107. Para No.25 Pages 29 & 30 of Audit Report for the year 2001-2002; Non Recovery of Rs.880,621/- Due to Handing Over Ten Godowns to Health Department

18.02.2006 The Department explained that actually ten godowns of Gulberg PR Center Lahore were placed at the disposal of Health Department on 26-10-1971 and the bill amounting to Rs.29,331,242/- had been submitted to the Health Department for payment. It was also stated that personal efforts were being made to affect the recovery from Health Department.

The Committee **kept the para pending** with the directions that the Food Department should provide list of the godowns to Finance Department which were handed over to Health Department and desired that the Finance Department should take a joint meeting of both the departments to resolve the issue.

108. Para No.28 Pages 31 & 32 of Audit Report for the year 2001-2002; Unauthorized Drawal of House Rent Allowance and Conveyance Allowance Rs.89,362/-

17.02.2006 The Department explained that a sum of Rs.52,500/- had been recovered and efforts were being made for the balance recovery.

The Committee **settled the para subject to** balance recovery and its verification by Audit.

109. Para No.31 Page 33 of Audit Report for the year 2001-2002; Non-Recovery of Difference in Price of Bardana Amounting to Rs.58,215/-.

18.02.2006 The Department explained that an inquiry was conducted into the matter and as a result of the inquiry, recovery had been imposed upon the contractor. It was also stated that the department had sufficient amount of the said contractor as security and the recovery would be made from his security within one month.

The Committee **settled the para subject to** recovery and its verification by audit.

110. Para No.35 Pages 36 & 114 of Audit Report for the year 2001-2002; Loss of Rs.63,270,564/- Due to De-Classification of Bags, Tarpaulins and Stock Articles

(35.10) District Food Controller I, Lahore – Rs.350,134/-.

18.02.2006 The Department explained that the entire recovery had been made as per government instructions and deposited into government treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(35.11) District Food Controller, Bhakkar – Rs.145,491/-

17.02.2006 The Department explained that the para consisted of two parts:-

1- Enroute Shortage 12.101 m.tons

The Department explained that the cost of the enroute shortage of 12.101 m.tons wheat amounting to Rs.134,540/- had been recovered and deposited into the government treasury.

Audit verified the contention of the Department and recommended this part for settlement.

The part was settled.

2- Enroute shortage 0.985 m.tons

The Department explained that this part was discussed by the SDAC in its meeting held on 31-7-2004 and was settled after verification of record.

Audit verified the contention of the Department and recommended this part for settlement.

The part was settled.

(35.12) District Food Controller, Muzaffargarh – Rs.1,201,272/-

17.02.2006 The Department explained that the wheat stocks dispatched from various centers of District Muzaffargarh to Sindh province were shifted through NLC and were acknowledged at the spot by the rap of NLC. It was also stated that the cost of quantity of 38548.228 m.tons wheat dispatched from Muzaffargarh and Food Directorate of Punjab, Lahore had also been received from Sindh government.

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

(35.13) District Food Controller, II, Lahore – Rs.59,693/-

17.02.2006 The Department explained that the para consisted of two parts:-

1- Sherukana District Kasur enroute shortage of 4000 m.tons.

The Department explained that the same quantity of the centre was also included in the draft para No. 35.30 for the year 2001-2002 and requested for deletion of this part from here.

Audit verified the contention of the department and recommended deletion of this part.

This part was deleted.

2- Machka District Raheem Yar Khan enroute shortage of 1.369 m.tons

The Department explained that the cost of the enroute shortage of wheat amounting to Rs.15,221/- had been recovered and got verified by audit.

Audit verified the contention of the department and recommended this part for settlement.

This part was settled.

(35.17) District Food Controller II, Lahore – Rs.11,559,493/-

18.02.2006 The Department explained that the para was pertained to the scheme for the year 1987 to 1997 and 89 PR Centers were involved from whom the recovery of en route shortage of wheat was to be effected. Recovery of 30 PR Centers had been made good. It was also stated that the record of 55 PR Centers was available for verifications and requested that the para be reduced after verification of record.

The Committee **pended the para** with the directions that the record be got verified by audit within one week from 20th February to onward and the para would be reduced after verification of the record.

(35.23) District Food Controller, Attock Rs.201,504/-

27.02.2007 The Department explained that the official responsible for enroute shortage had been dismissed from service in another case and was absconding since long. Moreover, a criminal case had been got registered in the Anti corruption establishment which was being pursued vigorously.

The Committee **kept the para pending** for criminal action.

(35.30) District Food Controller, Kasur Rs.227,364/-

27.02.2007 The Department explained that partial recovery had been effected and got verified by audit. Whereas in case of en-route shortage from Khudian to Hasanabdal the responsible person had been dismissed from service in another case and Anticorruption authorities had been approached for registration of criminal case. In case of shortage of wheat from ex-Sherokana to Signal Shop Lahore, the enquiry officer had held the government contractor and incharge Sherokana responsible for the lapse and partial recovery of Rs.54,111/- had been made through forfeiture of security deposit and efforts were being made for balance recovery.

The Committee reduced the para upto the recovery effected and got verified by audit whereas the remaining portion of **para was kept pending**.

111. Para No.36.14 Pages 36, 37 & 38 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.11,293,164/- Beyond Competency.**District Food Controller, I, Lahore Rs.160,066 /-**

27.02.2007 The Department explained that expenditure had been incurred by the Dy. Director Food within his competency in each case for purchase of two different items i.e. Polythene and Sultli.

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

112. Para No.37 Pages 38 & 39 of Audit Report for the year 2001-2002; Irregular Payment of Rs.12,900,000/- Made to Pakistan Railway on Account of Rent of Leased Land

27.02.2007 The Committee observed that Food Department had made payment to Pakistan Railway on account of rent of land at Attock, Jand and Basal Railway Stations but the department could not produce any record relating to agreement with Pakistan Railway, total area of leased land and the arrears of lease money.

After detailed examination of the matter, the Committee desired that Chief Secretary, Government of the Punjab may hold an inquiry into the matter to thrash out the facts of the case and verify the authentication of the lease money paid by the Food Department.

The para was kept pending.

- 113. Para No.43.1 Page 43 of Audit Report for the year 2001-2002; Non-Surrendering of Excess Budget Valuing Rs.13,499,902/-**
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(43.1) Deputy Director Food, Sargodha Rs.5,898,540/-

(43.2) District Food Controller, Sargodha Rs.4,452,170/-

27.02.2007 The Department explained that expenditure regarding trading of Wheat had been classified under account II food and all the transactions pertaining to expenditure and receipts remained under the same account which could not be utilized by any other department.

The Committee conditionally **settled the paras subject to verification** of requisite rules in support of departmental contention by audit.

- 114. Para No.48.3 Pages 46 & 47 of Audit Report for the year 2001-2002; Irregular expenditure of Rs.1,658,700/- on Printing.**
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District Food Controller II, Lahore – Rs.749,669/-

18.02.2006 The Department explained that the case for regularization of the expenditure had been referred to the Finance Department.

The Committee **settled the para subject to** regularization by the Finance Department.

- 115. Para No.49.1 Pages 47 & 48 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,932,705/- on Appointment of Temporary Chowkidars.**
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District Food Controller, Gujrat – Rs.191,525/-

18.02.2006 The Department explained that the appointments of Chowkidar were made according to the Finance and S&GAD letter dated 15-2-2000 and 11-3-2000 respectively.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

116. Para No.52 Page 50 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.365,337/- From Wrong Head of Account.

(52.1) District Food Controller, Bahawalnagar Rs.159,911/-

27.02.2007 The Department explained that payment of telephone bills had been made from sub-head No. 59701-incidental charges on wheat and the telephone register had been maintained properly.

The Committee **settled the para** with the warning that no payment should be made in future from the wrong head of account.

(52.3) District Food Controller, Rawalpindi Rs.75,645

27.02.2007 The Department explained that matter for regularization of the irregular expenditure on account of electricity and sui gas charges had been moved for approval of the FD which was being pursued vigorously.

The Committee **settled the para subject to** regularization of expenditure with the directions that warning be issued to the concerned DDO to be careful in future.

117. Para No.53 Page 51 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.2,646,126/- on Account of Printing Charges.

(53.2) District Food Controller, I, Lahore Rs.1,873,650/-

27.02.2007 The Department explained that irregularity on account of printing charges had been admitted and the case for regularization of the expenditure had been sent for approval of the competent authority.

The Committee directed that besides regularization of the expenditure, disciplinary action should also be taken against the concerned DFC and Dy. Director Food under the E&D Rules.

The para was kept pending.

(53.3) District Food Controller, Gujranwala Rs.581,258/-

27.02.2007 The Department explained that the matter for regularization of the expenditure on account of printing work from private press had been submitted for approval of the competent authority which was still under process.

The Committee **kept the para pending** with the directions that action should also be taken against the concerned DDO under the E&D Rules.

118. Para No.63.1 Pages 58 & 59 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1,841,825/- on Account of Repair of Godowns.

District Food Controller, Gujranwala Rs.1,564,372/-

27.02.2007 The Department explained that out of the total claim, an amount of Rs.780,010/- was paid through bank draft and remaining amount was paid in cash due to closing of financial year. Moreover, the Deputy Director Food was competent for according the Administrative Approval upto extent of Rs.1,500,000/- in each case and Deputy Director Food Gujranwala had accorded combined approval for two different centers at Hafizabad and Alipur Chatha.

The Committee **settled the para** with the directions that action should be taken against the person responsible for payment in violation of rules.

119. Para No.64 Page 59 of Audit Report for the year 2001-2002; Irregular Drawal of Pay and Allowances Worth Rs.1,756,417/-

(64.1) District Food Controller II, Lahore – Rs.366,694/-.

18.02.2006 The Department explained that the case for regularization had been referred to the Finance Department which was still under process.

The para was kept pending.

(64.2) Deputy Director Food, Lahore – Rs.52,926/-

17.02.2006 The Department explained that the para consisted of three parts:-

A- Rs.41,324/-

The Department explained that the case for regularization of the expenditure had been submitted to the FD and the last reminder in this regard had been issued on 25.12.2005.

The Committee kept this part pending.

B-C Rs.11,602.25

The Department explained that the total recovery had been effected in these parts and got verified by audit.

Audit verified the contention of the department.

These parts of the para were settled.

(64.3) Deputy Director Food, Lahore – Rs.1,182,113/-

17.02.2006 The Department explained that the case for regularization of the expenditure had been sent to the FD and the last reminder had been issued on 25.12.2005.

The para was kept pending.

(64.4) Deputy Director Food, Faisalabad – Rs.46,841/-

18.02.2006 The Department explained that the Finance Department had already regularized the period of temporary shifting of head quarter on 16.10.2003.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

120. Para No.68 Pages 62 & 63 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.7,389,590/- on Purchase of Polythene Sheet and Insulation Tapes**(68.8) District Food Controller, Kasur Rs.343,512/-**

27.02.2007 The Department explained that for safety of stocks quotations were invited for purchase of polythene sheets and the competent authority approved the lowest rate and payment had been made to the contractor after observing all the codal formalities. The Income Tax had also been deducted from the responsible and deposited into the government treasury.

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

(68.10) District Food Controller, Khanewal Rs.392,022/-

27.02.2007 The Department explained that during the scheme year 2000-2001 bumper crops were produced which was stored in open. The Administrative Department directed all Deputy Directors to carry out the fumigation of the gunjies and arrange polythene sheets. Accordingly, polythene sheets were purchased and fumigation was carried out and expenditure was incurred within the competency of the concerned DDF and stock entries were also made accordingly.

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

121. Para No.71 Pages 65 & 66 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.569,846/- Due to Recruitment of Persons not Having Prescribed Minimum Qualification.

18.02.2006 The Department explained that the services of Mr. Farooq Ahmed, FGI (Now AFC) were regularized under Marshal Law Instruction No. 21 dated 08.08.1977.

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

- 122. Para No.85.3 Page 75 of Audit Report for the year 2001-2002; Loss of Rs.11,454,120/- Due to Substandard Purchase of Aluminum Phosphate Tablets.**
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District Food Controller, I, Lahore – Rs.3,204,425/-

17.02.2006 The Department explained that the M/s. AG Services had replaced the sub-standards AP tablets of 9367 kg with standard AP tablets on 11.4.2003. The record was available for verification.

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

- 123. Para No.93 Page 81 of Audit Report for the year 2001-2002; Non-Production of Record of Wheat Valuing Rs.1,905,634/-**
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27.02.2007 The Department explained that all the record relating to distribution/ acknowledgment of stocks was available for verification.

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

GENERAL OBSERVATIONS/DIRECTIONS

18.02.2006 The Committee acknowledged and appreciated the performance of Food Department in disposing off its business.

**FORESTRY,
WILDLIFE,
FISHERIES
&
TOURISM**

The paras were discussed in the meetings of PAC-II held on 16.12.2005, 17.12.2005, 19.12.2005, 29.12.2005, 30.12.2005, 31.12.2005, 16.01.2007, 17.01.2007 & 18.01.2007.

**FORSESTRY, WILDLIFE, FISHERIES & TOURISM
DEPARTMENT**

Audit Paras (Commercial) for the year 2001-2002

(Government Jallo Rosin and Turpentine Factory)

1. **Para No.51 Page 55 of Audit Report for the year 2001-2002; Working Results**
2. **Para No.52 Page 55 of Audit Report for the year 2001-2002; Working Results**

16.12.2005 The Department explained that the observation of the audit was correct as the amount of advance/additional income tax and sales tax/additional sales tax was laying unadjusted for the last fifteen years. It was also stated that the Jallo Rosin and Turpentine Factory was closed w.e.f 25.2.1988. The amount of the advance/additional income tax and sales tax pertained to the period prior to closure of factory. Due to closure of factory and being very old record, the detail of the amount pointed out by audit was not traceable. However, the amount of Advance/additional Income Tax and sales tax/additional sales tax worth Rs.0.066(m) and Rs.0.046(m) respectively, had to be adjusted in the Commercial Accounts as these amounts were not recoverable from the Income Tax/Sales Tax Department and could be expensed out after the approval of the competent authority.

The Committee **kept the para pending** with the directions that the auction of the material of factory be made within 90 days under intimation to PAC.

(Tourism Development Corporation of Punjab)

3. **Para No.53 Page 56 of Audit Report for the year 2001-2002; Working Results**

16.12.2005 Audit had pointed out that accounts for the year 2001-2002 were due on 15.01.2003 but were not provided on the target date.

The Department explained that the final accounts for the year 2001-2002 were not submitted to audit up-till the target date due to late finalization and submission of accounts by the company auditors. The Company auditors delivered initialed copies of the audited financial statements for the year 2001-2002 to TDCP on 07.2.2003. The accounts were approved by the share holders in Annual General Meeting held on 25.08.2004.

The para was settled with the directions that the accounts be submitted well in time in future.

FISHERIES DEPARTMENT

Audit Paras (Civil) for the year 2001-2002

1. **Para No.1 Page 1 of Audit Report for the year 2001-2002; Non-Deduction of Income Tax From the Contractor Amounting to Rs.124,050/-**

17.12.2005 The Department explained that the order for recovery of Rs.124,050/- from the pay of the concerned officers had been issued and accordingly the District Accounts Officer, Muzafargarh had been asked to recover the amount from the pay of the officer @ 1/3rd of the basic pay. It was also stated that the first installment had been recovered.

The Committee **kept the para pending** till the finalization of the recovery and its verification by audit.

2. **Para No.2 Page 9 of Audit Report for the year 2001-2002; Loss of Rs.832,910/- Due to Non-Recovery From Contractors and Farmers/Breeders.**

(2.1) Assistant Director Fisheries, Mianwali-Rs.522,900/-.

17.12.2005 The Department explained that all the amount had been recovered and deposited into the government treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(2.2) Assistant Director Fisheries, Jhang-Rs.208,960/-.

17.12.2005 The Department explained that the recovery consisted of two parts:-

- (i) **Lease Money of Rs.151,250/-.**

Out of Rs.151,250/- a sum of Rs.115,250/- had been recovered leaving a balance recovery of Rs.36,000/- against Mr. Zafar Iqbal, Fish Contractor. It was also stated that the case for recovery as arrear of land revenue had been ordered and recovery will be effected within a couple of months.

- (ii) **Recovery of Fish seed Rs.57,710/-.**

It was stated that an amount of Rs.26,115/- out of total recovery of Rs.57,710/- had been recovered from the defaulters and deposited into the government treasury. Recovery order for the remaining amount of Rs.31,595/- had been issued from the gratuity of Mr. Nazir Ahmad, the then DDO Jhang.

The Committee **settled the para subject to** total recovery and its verification by audit.

(2.3) Assistant Director Fisheries District Khanewal-Rs.57,670/-.

17.12.2005 The Department explained that out of total recovery of Rs.57,670/- a sum of Rs.15,470/- had been recovered and deposited into the government treasury. As regards the balance recovery of Rs.18,400/-, Rs.16,000/- and Rs.4,000/-, the department contended that the fish seed to the stated value was issued for throwing in public water for which the record was available for verification.

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

(2.4) Assistant Director Fisheries, Vehari-Rs.43,380/-.

17.12.2005 The Department explained that as a result of the inquiry, the Agriculture Engineer had assessed the value of the loss and the same had been recovered.

The Committee **settled the para subject to verification** of record/recovery by Audit

3. Para No.3 Page 10 of Audit Report for the year 2001-2002; Recovery of Rs.186,564/- On Account of Misuse of Government Vehicle No.STF.9704.

17.12.2005 The Department explained that the matter was investigated and it was found that the vehicle was privately used for 68 kilometers and the recovery of the private use of the vehicle had been made and deposited into the government treasury.

The Committee **kept the para pending** for verification of record by audit.

4. Para No.4 Page 11 of Audit Report for the year 2001-2002; Lapse of Funds Rs.190,036/-

17.12.2005 The Department explained that major saving was in pay & allowances, however, warning had been issued to the concerned DDO and the appropriation accounts for the year 2000-2001 had already been settled by the PAC in its meeting held on 02.03.08.2005.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

5. Para No.5 Pages 11 & 12 of Audit Report for the year 2001-2002; Irregular Expenditure On Repair of Vehicles Amounting to Rs.51,610/-

17.12.2005 The Department contended that all the relevant record was got verified by Audit at the time of SDAC meeting held on 11.01.2003 but the para was kept pending.

Audit verified the contention of the Department and recommended the para for settlement.

The Committee **settled the para** with the observation that the draft para settled in the SDAC should not be reflected in the audit report.

6. Para No.6 Page 13 of Audit Report for the year 2001-2002; Expenditure Incurred In Excess of Budget Provision for Rs.181,995/-

17.12.2005 The Department explained that the excess expenditure of Rs.181,995/- was incurred on Pay & Allowances. The accounts for the year 1999-2000 of Fisheries Department had already been settled by the PAC in its meeting held on 31.7.2004 ignoring the excess expenditure of Rs.1,019,799/- incurred on Pay & Allowances, which was 1.04% excess on the total allocation. However, warning had been issued to the concerned DDO for excess expenditure.

The Committee **settled the para** as the overall accounts of the Department for the year had already been settled by the PAC.

7. Para No.7 Page 14 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.166,092/-.

17.12.2005 The Department explained that the para was discussed by the SDAC in its meeting held on 11-1-2003 and was settled after verification of record.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

8. Para No.8 Page 15 of Audit Report for the year 2001-2002; Non-Production of Record of Vehicles Valuing Rs.216,265/-

(8.1) Assistant Director Fisheries, Vehari-Rs.105,790/-.

17.12.2005 The Department explained that the POL costing Rs.105,790/- was purchased not only for government vehicle No. VRA1545 but also for diesel engine fixed at Nursery Unit Vehari. The log books of the said machinery items had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(8.2) Assistant Director Fisheries, Jhang-Rs.68,344/-.

17.12.2005 The Department explained that the para was discussed by SDAC meeting held on 11.1.2003 but was kept pending as the two log books were missing which had been now traced out.

The Committee **settled the para subject to verification** of record by Audit and desired that disciplinary action be taken against the responsible within 30 days under intimation to PAC who had not produced the record at the time of SDAC.

(8.3) Deputy Director Fisheries-Rs.42,131/-.

17.12.2005 The Department explained that the para was discussed in the SDAC meeting held on 15.10.2003 and was settled after verification of record by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

WILDLIFE DEPARTMENT
Audit Paras (Civil) for the year 2001-2002

- 1. Para No.1 Page 8 of Audit Report for the year 2001-2002; Loss of Rs.69,300/- As Closing Cash Balance was not Brought Forward As Opening Balance to New Cash Book.**
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17.12.2005 The Department explained that Mr. Alamdar Hussain, the then Deputy Director was held responsible for the loss and the recovery had been ordered from his pension contributions.

The Committee **settled the para subject to** recovery and its verification by Audit.

- 2. Para No.2 Pages 8 & 9 of Audit Report for the year 2001-2002; Theft of Rs.70,898/- and T.V. Costing Rs.21,500/- + F-15 Video Camera Rs.95,000/-**
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(2.1) Deputy Director (WS), Rs.21,500/-.

(2.2) Deputy Director Publicity-Rs.95,000/-.

- 3. Para No.14 Page 20 of Audit Report for the year 2001-2002; Non Production of Record for the Month 6/2001 Involving Expenditure Rs.877,022/-**
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17.12.2005 The Department explained that in compliance with the orders of the PST the competent authority had ordered *de-novo* inquiry which had been completed but the final decision of the competent authority was still awaited.

The Committee **kept the para pending** till the decision of competent authority

- 4. Para No.3 Page 9 of Audit Report for the year 2001-2002; Loss of Rs.350,000/- Due to Theft of Vehicle No.LHV-3527.**
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17.12.2005 The Department explained that an inquiry was conducted into the matter but the competent authority was not satisfied with the result of the inquiry and had ordered a *denovo* inquiry. It was also stated that the case for write off of the stolen vehicles had

been taken up by the FD. On a query from the committee the department stated that the police Department had not yet declared the case untraceable.

The Committee **kept the para pending** till the finalization of the inquiry with the observation that the case for write off be withdrawn.

5. Para No.4 Page 10 of Audit Report for the year 2001-2002; Loss of Rs.283,448/- On Account of Non-Accountal of Cheques In the Cashbook.

(4.1) Deputy Director (Lahore Park), Rs.245,348/-.

17.12.2005 The Department explained that the para was discussed in the SDAC meeting held on 4.1.2003 and was settled. But audit contended that the Department was required to produce revised schedule of payments and none payment certificate issued by the State Bank of Pakistan.

The Committee **settled the para** after perusal of the minutes of the SDAC dated 04.01.2003.

(4.2) Curator, Bahawalpur Zoo-Rs.38,100/-.

17.12.2005 The Department explained that the para was discussed in the SDAC meeting held on 4-1-2003 and was settled after verification of recovery of Rs.84,375/- by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

6. Para No.5 Page 11 of Audit Report for the year 2001-2002; Loss of Rs.72,030/- Due to Non Auction of Canteen.

17.12.2005 The Department explained that in compliance with the decision of SDAC meeting held on 4-1-2003 a comprehensive inquiry was conducted and according to the inquiry report there was no fault on the part of any government functionary as no one was interested to get the tuck shop on contract.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

7. Para No.6 Pages 11 & 12 of Audit Report for the year 2001-2002; Bogus Drawal of Rs.224,133/- On Account of Work Charged Establishment and Conveyance Allowance

(6.1) Deputy Director (Lahore Park), Rs.200,760/-.

17.12.2005 The Department explained that as per provisions of PFR Vol. I contingent expenditure was considered for the year in which it was sanctioned and as such it was not the liability of previous years.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(6.2) Curator, Bahawalpur Zoo-Rs.23,373/-.

17.12.2005 The Department explained that the total recovery had been effected and deposited into the government treasury.

The Committee **settled the para subject to verification** of recovery by audit.

8. Para No.7 Page 13 of Audit Report for the year 2001-2002; Loss Due to Non Auction of Shops Valuing Rs.102,000/-

17.12.2005 The Department explained that the shops were not auctioned in the public interest by the competent authority as the same area was to be utilized for parking of 90-Shahrah-e-Quaid-e-Azam.

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

9. Para No.8 Page 14 of Audit Report for the year 2001-2002; Irregular and Doubtful Payment of Rs.531,904/-

17.12.2005 The Department explained that incompliance with the directions of the SDAC dated 04.1.2003 and inquiry was conducted into the matter. But the competent authority was not satisfied with the inquiry report.

The Committee **kept the para pending** with the directions that *denovo* inquiry be conducted into the matter.

10. Para No.9 Pages 15 & 16 of Audit Report for the year 2001-2002; Irregular Expenditure On Account of Vehicles and POL Charges Amounting to Rs.61,715/-

(9.1) Assistant Game Warden Bahawalpur – Rs.21,800/-.

17.12.2005 The Department explained that the matter was being investigated and requested for pending the para till the finalization of inquiry.

The Committee **kept the para pending** till the finalization of inquiry report.

(9.2) Deputy Director (Publicity)-Rs.39,915/-.

17.12.2005 The Department explained that the Deputy Game Warden consumed the POL within his entitlement of 150 liters per month and the record had been got verified by audit.

Audit verified the contention of the Department recommended the para for settlement.

The para was settled.

11. Para No.10 Page 16 of Audit Report for the year 2001-2002; Irregular Repair/Replacement of Existing Works Valuing Rs.205,624/-.

17.12.2005 The Department explained that the revised budget/allocation grant was received late and on receipt of budget allocation the bills were accordingly prepared and submitted to the DAO, Bahawalnagar. It was also stated that different repair works were carried out on different dates as per requirement according to the rules. However, the overdrawn amount had been recovered from the contractor and deposited into the government treasury.

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

12. Para No.11 Page 17 of Audit Report for the year 2001-2002; Loss Due to Mortality Expiry of Wildlife Valuing Rs.600,000/-

(11.1) Curator Zoological Garden Bahawalpur-Rs.500,000/-.

(11.2) District Wildlife Officer Rahim Yar Khan-Rs.100,000/-.

17.12.2005 The Department explained that the different Zoos/Wildlife parks had been established in the Punjab which was being managed/maintained on scientific lines. A large number of wildlife species (Animals and Birds) had been kept in the Zoos/Wildlife parks for recreation and education of public. Whenever, any animals felt ill it is medically examined by qualified veterinarians. In case of mortality the carcass was sent to the Disease Diagnostic Laboratory, Livestock & Dairy Development Department, Bahawalpur for postmortem, to ascertain real causes of death. According to delegation of Financial Power Rules 1990 Rule 9 given under part II (c) Wildlife & Parks Department, Director General W&P was competent for fixing of prices for the sale of wild animals, produces & by products. On expiry of animals postmortem reports obtained from Diagnostic Laboratory were submitted to the said authority.

The Committee accepted the explanation of the Department and **the paras were settled.**

13. Para No.12 Page 18 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.347,917/- Beyond Competency.

(12.1) District Wildlife Officer, Bahawalnagar-Rs.182,835/-.

17.12.2005 The Department explained that the sanctions beyond Rs.10,000/- were accorded by the DG Wildlife & Parks and sanctions below Rs.10,000/- were accorded by Deputy Director, Wildlife on different dates and bills were of different periods.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(12.2) Assistant Game Warden Wildlife Park, Murree-Rs.165,082/-.

17.12.2005 The Department explained that the tender rates for supply of feed to animals and birds were approved by the competent authority according to the rules. It was also stated that the DDO was competent to purchase according to his requirements subject to the clear availability of funds.

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

14. Para No.13 Page 19 of Audit Report for the year 2001-2002; Irregular-Un-Authorized Drawal of Rs.499,550/- On Account of Purchase of Birds.

17.12.2005 The Department explained that the birds were received in time and entered in the stock register, however, some birds were not according to the terms & conditions of tender. Therefore, they were returned back to the contractor due to which feed could not be used during that period.

The Committee was not satisfied with the explanation of the Department and directed that an inquiry be conducted into the matter within 90 days under intimation to PAC.

The para was kept pending.

15. Para No.15 Pages 20 & 21 of Audit Report for the year 2001-2002; Non Production of Record Unjustified Expenditure of Rs.125,499/- Incurred On Purchase P.O.L.

17.12.2005 The Department explained that the record had been produced to audit which had seen/verified the same.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

16. Para No.16 Page 21 of Audit Report for the year 2001-2002; Non-Maintenance of Account of Challan Books Involving Amount of Rs.2,000,000/-

17.12.2005 The Department explained that new challan books had been issued to the field staff on receipt of old used challan books. However, some officials were issued challan books on production of copies of the FIR registered with the concerned police stations losing the challan books during the field duty.

The Committee **kept the para pending** with the directions that the inquiry be conducted into the matters at the higher level.

FORESTS DEPARTMENT

Audit Paras (Civil) for the year 2001-2002

1. Para No.1 Page 8 of Audit Report for the year 2001-2002; Loss of Rs.85,600/- on Account of Bogus Afforestation.

19.12.2005 The Department explained that the para was discussed by SDAC meeting held on 28.12.2002 and was kept pending for completion of inquiry within 60 days besides recovery. The disciplinary proceeding had been completed and the officer/officials who were found guilty had been warned to be careful in future and the total amount of Rs.85,690/- had been recovered and adjusted vide challan No.B116 and 117 dated 08.1.2004.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

2. Para No.2 Pages 8 & 9 of Audit Report for the year 2001-2002; Shortage of Cash Rs.112,063/- During Physical Verification.

30.12.2005 The Department explained that Honourable Governor of the Punjab had to visit the Forest Research Institute, Faisalabad on 16-7-2002 and the amount was given to the draftsmen and Estate Officer for necessary arrangements. The Driver of the vehicles were also given advance to run the machinery for research work and to collect data, sample of soil and tissue culture.

The Committee was not satisfied with the departmental explanation and directed that the concerned DDO should attend the meeting on 31-12-2005, to explain the factual position

On 31-12-2005, the Committee, after hearing the view point of the department, conditionally settled the para subject to regularization of expenditure by the Finance Department and verification of record by Audit.

3. Para No. 3 Pages 9 & 10 of Audit Report for the Year 2001-2002; Non-Deposit of Rs. 622,025/- on Account of Sui Gas Charges after Collection from the Various Officers/officials

16.01.2007 The department explained that the amount of subject para had already been included in the DP.32 for the year 1999-2000 and this duplication had been got verified by audit.

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

4. **Para No.4 Pages 10 & 11 of Audit Report for the year 2001-2002; Non-Disposal of Timber/Plant Valuing Rs.21,485,746/-.**

(4.4) D.F.O. Multan - Rs.89,313/-.
(4.19) D.F.O. Mianwali - Rs.3,107,255/-.
5. **Para No.6.5 Pages 12 & 13 of Audit Report for the year 2001-2002; Non-Accountal of Material/Plants/Timber/Fuel Worth Rs.2,331,100/-.**

D.F.O. Murree-Rs.61,020/-.
6. **Para No.7.4 Pages 13 & 14 of Audit Report for the year 2001-2002; Loss of Rs.652,327/- on Account of Shortage of Plants & Stumps.**

D.F.O. Mianwali – Rs.12,020/-.
7. **Para No.10 Pages 16 & 17 of Audit Report for the year 2001-2002; Loss of Rs.65,209,199/- Due to Non Recovery of Government Money From Contractors/Officials.**

(10.4) D.F.O. R.Y. Khan-Rs.84,386/-.
(10.9) D.F.O. (RM) Bhakkar-Rs.19,328/-.
(10.14) D.F.O. Attock-Rs.34,009/-.
(10.16) D.F.O. Chakwal-Rs.72,230/-.
(10.23) D.F.O. Layyah-Rs.137,226/-.
(10.30) D.F.O. Gujranwala-Rs.60,295/-.
8. **Para No.11 Pages 17 & 18 of Audit Report for the year 2001-2002; Loss of Rs.7,515,196/- Due to Non/Less Deduction of Income/General Sales Tax.**

(11.5) D.F.O. (R&M) Chakwal-Rs.37,977/-.
(11.10) D.F.O. Bahawalpur-Rs.66,964/-.
9. **Para No.12.2 Page 19 of Audit Report for the year 2001-2002; Recovery of Rs.116,714/- Due to Overpayment on Account of TA/DA, House Rent Allowance Etc.**

Director Budgets Accounts Forest, Lahore-Rs.63,780/-.

10. Para No.13.4 Pages 19 & 20 of Audit Report for the year 2001-2002; Recovery of Rs.690,925/- Due to Non Realizing of Penalty Imposed Upon the Officials
Principal Punjab Forest School, Bahawalpur - Rs.39,374/-.
11. Para No.21.2 Page 26 of Audit Report for the year 2001-2002; Irregular Heavy Expenditure of Rs.3,732,102/- At the Close of Year.
D.F.O. Gujranwala (PFSDP)-Rs.1,367,536/-.
12. Para No.37 Page 36 of Audit Report for the year 2001-2002; Irregular Purchase of Hand Pumps Valuing Rs.687,250/-.
13. Para No.38 Page 37 of Audit Report for the year 2001-2002; Afforestation of Plantation Worth Rs.1,515,723/- Without Provision In PC-I.
14. Para No.41 Page 39 of Audit Report for the year 2001-2002; Irregular Re-Appropriation of Funds Rs.75,000/-.
15. Para No.49.1 Page 44 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.279,339/- On Account of Leveling of Land and Non-Recovery of Income Tax Amounting to Rs.9,598/-.
D.F.O. Chichawatni-Rs.191,959/- + 9,598/- (IT)
16. Para No.50.1 Page 45 of Audit Report for the year 2001-2002; Irregular and Unjustified Expenditure of Rs.86,355/- On Land Leveling-Recovery of Income Tax Rs.2,886/-.
D.F.O. Rajanpur-Rs.86,355/-+2,886/-
17. Para No.52.2 Pages 46 & 47 of Audit Report for the year 2001-2002; Excess Payment of Cooly Charges Amounting to Rs.121,118/- On Various Forest Operations
D.F.O. Bhakkar-Rs.45,273/-
18. Para No.53.2 Page 47 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.742,502/- On Account of Pending Liabilities.
D.F.O. R.Y. Khan-Rs.78,176/-
19. Para No.60.1 Pages 52 & 53 of Audit Report for the year 2001-2002; Irregular Drawal of TA/DA Amounting to Rs.1,331,140/-.
Conservator of Forest Multan-Rs.874,679/-

20. **Para No.61.2 Page 53 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.,1,043,489/- On Forestry Operations Without the Approval of A.P.O.**
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D.F.O. Sahiwal-Rs.578,875/-

21. **Para No.63 Pages 55 & 56 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.484,366/- On Repair of Vehicles.**
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(63.2) Conservator of Forest MKDA Rawalpindi-Rs.106,467/-.

(63.4) Secretary Forest-Rs.51,835/-.

(63.6) Asstt. Secreilire Ravi Road, Lahore-Rs.19,727/-.

22. **Para No.70 Pages 61 & 62 of Audit Report for the year 2001-2002; Non-Production of Record on Account of Different Articles Etc. Amounting to Rs.11,838,892/-.**
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(70.2) Chief Conservator of Forest Project Director, FSD, Lahore-Rs.472,724/-

(70.6) D.F.O. Chakwal-Rs.106,204/-

(70.7) D.F.O. Chakwal-Rs.1,562,175/-

(70.9) D.F.O. Silvian Forest PFRI FSD-Rs.2,901,148/-

19.12.2005 The Department explained that audit observations in respect of above mentioned paras had been addressed to properly and necessary adjustments/recoveries had been made. Moreover, requisite record had been got verified by audit.

Audit stated that departmental contention in respect of above 31 paras was justified and recommended the 31 paras for settlement.

The above 31 paras were accordingly settled.

23. **Para No.4 Pages 10 & 11 of Audit Report for the year 2001-2002; Non-Disposal of Timber/Plant Valuing Rs.21,485,746/-**
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(4.1) D.F.O. Multan – Rs.582,144/-

30.12.2005 The Department explained that an inquiry had been conducted into the matter and shortage of timber was noticed. Accordingly the responsible officials had been issued a charge sheets and disciplinary action was under process against them.

The Committee directed the Department to finalize the matter within 90 days and also take action against the person responsible for delaying the matter for such a long period.

The para was kept pending.

24. **Para No.4 Pages 10 & 11 of Audit Report for the Year 2001-2002; Non-Disposal of Timber/Plant Valuing Rs.21,485,746/-**
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(4.2) DFO, Bhakkar Rs.246,612/-

(4.6) DFO, Sargodha Rs.94,990/-

(4.15) DFO, Jhang Rs.250,000/-

25. **Para No.5.1 Pages 11 & 12 of Audit Report for the Year 2001-2002; Non-Deposit of Rs.263,640/- on Account of Compensation not Deposited into Government Treasury**
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DFO, Rajanpur Rs. 149,720/-

26. **Para No. 6.8 Pages 12 & 13 of Audit Report for the Year 2001-2002; Non-Accountal of Material/Plants/Timber/Fuel Worth Rs.2,331,100/-**
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DFO, Layyah Rs.101,585/-

27. **Para No.7 Page 13 & 14 of Audit Report for the Year 2001-2002; Loss of Rs.652,327/- on Account of Shortage of Plants & Stumps**
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(7.1) DFO, Gujrat Rs. 415,400/-

(7.2) DFO, Khushab Rs. 27,254/-

28. **Para No. 10 Pages 16 & 17 of Audit Report for the Year 2001-2002; Loss of Rs.65,209,199/- Due to Non-Recovery of Government Money from Contractors/Officials**
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(10.22) DFO (North), R/Pindi Rs. 654,496/-

(10.27) DFO, Changa Manga Rs. 6,324,936/-

29. **Para No.11 Pages 17 & 18 of Audit Report for the Year 2001-2002; Loss of Rs.7,515,196/- Due to Non/Less Deduction of Income/General Sale Tax**
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(11.6) Conservator of Forest, Faisalabad Rs. 14,185/-

(11.8) DFO, R.Y.Khan Rs. 1,440,844/-

30. Para No.15.12 Page 21 of Audit Report for the Year 2001-2002; Loss of Rs.45,901,549/- Due to Non-Finalization of Offence Cases
- DFO (North), Rawalpindi Rs. 57,900/-
31. Para No. 17 Pages 22 & 23 of Audit Report for the Year 2001-2002; Loss of Rs.912,144/- Due to Illegal Grazing/Cultivation of Forest Land
32. Para No. 20 Page 25 of Audit Report for the Year 2001-2002; Loss of Rs.338,300/- Due to Non Maintenance of Afforestation Areas
- (20.2) DFO, DG Khan Rs. 17,500/-
- (20.3) DFO, Layyah Rs. 240,800/-
33. Para No. 29 Page 31 of Audit Report for the Year 2001-2002; Irregular Expenditure of Rs.302,400/- on Account of Construction of Outlet
34. Para No.34 Pages 34 & 35 of Audit Report for the Year 2001-2002; Irregular and Excess Drawl of Rs. 113,338/- Over Prescribed Limit
35. Para No.35 Page 35 of Audit Report for the Year 2001-2002; Excess Drawl of GOP Share of Rs.220,308/- Over and Above the Prescribed Limit.
36. Para No. 40 Pages 38 & 39 of Audit Report for the Year 2001-2002; Irregular Expenditure of Rs. 128,846/- on Repair of Tubewells-Recovery Thereof
37. Para No.44 Pages 40 & 41 of Audit Report for the Year 2001-2002; Irregular Expenditure Amounting to Rs. 203,540/- after Disbandment of MKDA
38. Para No.48 Page 43 of Audit Report for the Year 2001-2002; Irregular and Excess Drawal of GOP Share Amounting Rs. 6,619,243/-
- (48.1) DFO, Chakwal (R&M) Rs. 5,965,761/-
- (48.2) DFO, Multan (Irregated Pirwal Khanewal) Rs. 148,400/-
- (48.4) DFO, Jhang (Shorkot Plantation) Rs. 461,482/-
39. Para No.54.4 Page 48 of Audit Report for the Year 2001-2002; Irregular/Misclassified Expenditure of Rs. 339,956/-
- DFO Pest Central Lahore Rs. 31,224/-

40. **Para No. 55.2 Pages 48 & 49 of Audit Report for the Year 2001-2002; Lapse of Funds Amounting to Rs.3,300,092/- Due to Non Surrendering**
DFO, Layyah Rs. 1,401,007/-
41. **Para No.56.3 Pages 49 of Audit Report for the Year 2001-2002; Irregular Expenditure of Rs.531,936/- beyond Competency**
DFO, Layyah Rs. 47,400/-
42. **Para No. 57.2 Page 50 of Audit Report for the Year 2001-2002; Non-Verification of Deposits Amounting to Rs. 542,499/-**
DFO (North) Rawalpindi Rs. 259,180/-
43. **Para No. 59 Pages 51 & 52 of Audit Report for the Year 2001-2002; Irregular Purchase of Rs. 90,830/- Non-Deduction of Sale Tax and Income Tax Rs.26,387/-**
DFO, Circle Office Rawalpindi (PFSDP) Rs. 456,461/-
45. **Para No. 62 Page 54 of Audit Report for the Year 2001-2002; Irregular Expenditure of Rs.242,750/- on Account of Repair of Office Buildings and Rest House Recovery of Rs.12,463/-**
(62.1) DFO, Lal Suhanar National Park, Bahawalpur Rs. 118,621/-
(62.2) DFO, Mianwali Rs.49,378/-
(62.4) DFO (Ext) Lahore Rs. 56,887/-
46. **Para No. 65 Page 57 of Audit Report for the Year 2001-2002; Non-Disposal of Balance of Rs. 860,958/- Lying in the Personal Ledger Accounts**
DFO, Gujrat Rs. 163,270/-
48. **Para No. 70.3 Pages 61 & 62 of Audit Report for the Year 2001-2002; Non-Production of Record on Account of Different Articles etc. Amounting to Rs.11,838,892/-**
CF/DFO (M&E) PFSDP, Lahore Rs. 61,940/-

49. Para No. 72.3 Page 63 of Audit Report for the Year 2001-2002; Likely Misappropriation of Rs. 417,855/- on Account of Maintenance of Nurseries

DFO, Sargodha Rs.29,955/-

16.01.2007 The Department explained that the necessary action had been taken in respect of all the above paras and departmental contention had been got verified by Audit.

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

50. Para No.4 Pages 10 & 11 of Audit Report for the year 2001-2002; Non-Disposal of Timber/Plant Valuing Rs.21,485,746/-

(4.3) D.F.O. Mianwali – Rs.340,922/-

30.12.2005 The Department explained that as per directions of the SDAC meeting held on 21.12.2002 an inquiry was conducted into the matter which concluded that all the timber had been sold through an open auction. However, some timber was found short for which concerned officials had been held responsible and notices were issued to them accordingly. The Department further explained that the concerned DFO had been penalized for delay in the matter and the concerned Superintendent had also been suspended for the same purpose.

The Committee conditionally **settled the para subject to** recovery and its verification by Audit.

(4.5) D.F.O. Multan – Rs.142,476/-

30.12.2005 The Department explained that observation of audit regarding shortage of 18439 and 82599 plants was not justified as no such entry existed in Form 7 of Multan Sub-division, whereas, recovery on account of shortage of 77290 stumps had been effected and efforts were being made for balance recovery relating to 2793 plants.

Audit stated that department had not produced the relevant record for verification.

The para was kept pending with the directions that department should take necessary action in the matter as per policy of the government.

(4.7) DFO, Lahore/Sheikhupura Rs.103,800/-

17.01.2007 The Department explained that the para had been reduced to Rs.103,800/- in the SDAC meeting held on 28-11-2002 and the remaining timber amounting to Rs.103,800/- had been disposed off.

Audit stated that the matter regarding recovery of 20,000/- was subjudice where as recovery of Rs.25,737/- was still outstanding.

The para was kept pending for balance recovery.

51. **Para No. 4.8 Pages 10 & 11 of Audit Report for the Year 2001-2002; Non-Disposal of Timber/Plant Valuing Rs. 21,485,746/-**

DFO, Lahore/Sheikhupura Rs.491,569/-

52. **Para No. 6.2 Pages 12 & 13 of Audit Report for the Year 2001-2002; Non-Accountal of Material/Plants/Timber/Fuel Worth Rs. 2,331,100/-**

DFO, Layyah Rs. 126,705/-

53. **Para No. 7.3 Page 13 & 14 of Audit Report for the Year 2001-2002; Loss of Rs. 652,327/- on Account of Shortage of Plants & Stumps**

DFO, Lahore/Sheikhupura Rs.140,332/-

17.01.2007 The Department explained that necessary action had been taken and relevant record had been got verified by audit.

On recommendation of audit, **the paras were settled.**

54. **Para No. 4 Pages 10 & 11 of Audit Report for the Year 2001-2002; Non-Disposal of Timber/Plant Valuing Rs. 21,485,746/-**

(4.9) DFO, (Ext) Lahore Rs. 65,700/-

16.01.2007 The Department explained that the para was discussed by the SDAC in its meeting held on 15.0.002 and as per decision of the meeting the recovery of Rs.34,310/- had been imposed as per actual price of T-bags and the same had also been taken in Form-11.

The Committee **kept the para pending** with the directions that the balance recovery be made at the earliest.

(4.10) DFO,(Ext) Lahore Rs.16,980/-

17.01.2007 The Department explained that amount of para had been reduced to Rs. 16,980/- in the SDAC meeting held on 15-10-2002, out of which recovery of Rs. 14,938/- had been imposed on the concerned forester and depicted in form-11.

Audit stated that department had not stated that the fate of Rs. 2,012/- regarding Wahdat Colony Welfare Association.

The para was kept pending with the directions that recovery be completed within six months.

(4.11) DFO, (Ext) Lahore Rs. 1,142,920/-

17.01.2007 The Department explained that an inquiry was under process in the matter which would be finalized as soon as possible.

The para was kept pending.

(4.12) DFO, Sialkot Rs.56,930/-

17.01.2007 The Department explained that the outstanding amount had been included in the NDC of Mr. Abdul Ghafoor, Forester (R) but the PPO had not yet been finalized.

The para was kept pending for recovery of outstanding amount.

(4.13) D.F.O. Rajanpur-Rs.61,975/-.

19.12.2005 The Department explained that the para was discussed by SDAC meeting held on 17-8-2002 and was reduced to 238.72 cft timber for Rs.11,936/-. It was also stated that on perusal of form No.17, which revealed that 6 shesham logs had only 59.91cft instead of 238.72cft. All the 6 logs had already been sold for Rs.2588.33 in open auction held on 8.8.2003.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(4.14) D.F.O. Multan – Rs.317,650/-.

31.12.2005 The Department explained that an inquiry was conducted into the matter and as a result of the inquiry the recovery of all confiscated wood had been imposed upon responsible officials on 30-6-2005 and entered in form No. 11. It was also stated that a sum of Rs.11,500/- had been recovered.

The Committee took serious notice that the matter was reported to the department in June 2002 but the department had taken three years to complete the inquiry and fix the responsibility. **The para was kept pending** with the directions that action be taken against the responsible who had delayed the inquiry.

(4.16) DFO, Bahawalpur Rs.135,989/-

17.01.2007 The Department explained that the requisite material had been confiscated and entered in the Form-17 of Yazman Range and Bahawalpur Sub-Division.

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

(4.17) D.F.O. Bahawalpur – Rs.14,211,900/-.

31.12.2005 The Department explained that the para was discussed by the SDAC in its meeting held on 28.12.2002 and was settled after verification of record.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(4.18) D.F.O. R.Y. Khan - Rs.26,621/-.

19.12.2005 The Department explained that Rs.32,281/- had been recovered instead of Rs.26,621/- as pointed out by audit and got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

55. Para No.5.2 Pages 11 & 12 of Audit Report for the year 2001-2002; Non-Deposit of Rs.263,640/- On Account of Compensation Not Deposited Into Government Treasury

D.F.O. Layyah-Rs.113,920/-

31.12.2005 The Department explained that the para was discussed by the SDAC in its meeting held on 31-3-2003 and was reduced to Rs.42,000/- after verification of record. Now the remaining amount i.e. Rs.42,000/- had been recovered from the concerned officials.

The Committee settled the para subject to verification of recovery by audit.

56. Para No.6 Pages 12 & 13 of Audit Report for the year 2001-2002; Non-Accountal of Material/Plants/Timber/Fuel Worth Rs.2,331,100/-.

(6.1) D.F.O. MKDA Rawalpindi-Rs.75,853/-.

19.12.2005 The Department explained that all the purchases of POL had been entered in log book of the vehicles and got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(6.3) D.F.O. Circle Officer, Multan-Rs.99,790/-.

31.12.2005 The Department explained that the project was abonded on 3-6-2001 and the balance amount of Rs.645/- which belonged to DFO, Multan had been recovered and deposited into the government treasury on 9-2005.

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

(6.4) DFO, Rajanpur Rs.1,313,811/-

17.01.2007 The Department explained that the outstanding recovery had been taken in the form-11 and out of the total recovery an amount of Rs. 67,713/- and Rs.24,093/- had been recovered and efforts were being made for balance recovery.

The Committee reduced the para upto the recovery effected and verified by audit whereas **the para was kept pending** for balance recovery.

(6.6) D.F.O. Rawalpindi-Rs.45,664/-.

31.12.2005 The Department explained that the para was discussed in the meeting of SDAC held 25-3-2003 and was settled after verification of record.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(6.7) D.F.O. Lal Soharnra Park, Bahawalpur-Rs.471,922/-.

31.12.2005 The Department explained that the para was discussed by the SDAC meeting held on 27-28-12-2002 and was kept pending for holding an inquiry at secretariat level but the inquiry was not yet completed.

The Committee **kept the para pending** with the directions that the inquiry be completed within 90 days.

(6.9) Director (PFRA) D.F.O. Seed Faisalabad-Rs.34,750/-.

31.12.2005 The Department explained that the payment was made on receipt of the actual bill not on the bill received through FAX. The FAX copy of the bill was received for making bank draft however, actual payment was made through bank draft No. AP/P 125837 dated 30.6.2001. The computer was available and used in the office of CCF(P&E) Central Zone, Lahore.

The Committee accepted the explanation of the department and **the para was settled.**

57. Para No.8 Page 14 of Audit Report for the year 2001-2002; Loss of Rs.2,000,450/- Due to Illegal Cutting/Damage/Shortage of Trees.

31.12.2005 The Department explained that the para was discussed by SDAC in its meeting held on 31.03.2003 and was kept pending for finalization of inquiry. The inquiry report had been submitted to the Chief Conservator Forests on 29.12.2005.

The Committee **kept the para pending** with the directions that the action on the inquiry report be finalized within 90 days.

58. Para No.9 Page 15 of Audit Report for the year 2001-2002; Unjustified and Doubtful Expenditure Rs.248,373/- on Account of Daily Paid Wages.

(9.1) D.F.O. Khushab-Rs.112,231/-.

19.12.2005 The Department explained that the matter was inquired into by the DFO (North), Rawalpindi who concluded that there was no compulsion/binding on the forest officials in the forest manual to insure the availability of ID card for the identification of the daily wages labour employed.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(9.2) D.F.O. Rajanpur-Rs.136,142/-.

19.12.2005 The Department explained that the para was discussed by SDAC meeting held on 8.4.2003 and was kept pending for the production of Muster Rolls. Now all the Muster Rolls had been produced to audit which had been prepared and sanctioned by the competent authority.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

59. Para No.10 Pages 16 & 17 of Audit Report for the year 2001-2002; Loss of Rs.65,209,199/- Due to Non Recovery of Government Money From Contractors/Officials.

(10.1) D.F.O. Mianwali – Rs.402,049/-.

29.12.2005 The Department explained that the para consisted of two parts:-

(I) Recovery of Rs.28,320/-

The Department explained that the recovery had been received from DFO, Murree and had been adjusted in the accounts.

(II) Recovery of Rs.373,750/-

The Department explained that the security of the contractor, i.e Rs.42,000/- had been forfeited and the lot had been auctioned afresh for Rs.774,117/-.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled.

(10.2) D.F.O. (Ext) Lahore – Rs.351,321/-

29.12.2005 The Department explained that the recovery notices had been issued to the contractor for recovery as arrears of land revenue. On a query from the Committee that whether the security deposit from the contractor was taken or not? The Department requested that the position would be explained on next day.

The para was kept pending for 30.12.2005.

On 30.12.2005, the Department explained that recovery had been depicted in form 11 which was as per policy of the department. In some cases efforts were being made for recovery under land revenue act.

The Committee **settled the para subject to** recovery as per policy of Forest Department.

(10.3) DFO, Bahawalpur Rs.35,470/-

17.01.2007 The Department explained that the amount of para had been reduced in the SDAC meeting held on 07/8/02 and 8/4/2003 and the remaining amount had been written off by the Competent Authority.

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

18.01.2007 The Department explained that total outstanding amount involved in the para had been got written off by the competent authority which had been verified by audit.

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

(10.5) DFO, Bahawalpur Rs.231,427/-

17.01.2007 The Department explained that out of the total outstanding amount an amount of Rs.53,602/- had been recovered from the pay of the officials and Rs.11,350/- had been deleted and Rs.42,285/- had been shown in the NDC of the retired officials.

The Committee reduced the para to the extent of recovery effected and verified by audit whereas the remaining **portion was kept pending.**

(10.6) D.F.O. R.Y. Khan-Rs.1,565,544/-.

19.12.2005 The Department explained that the para was discussed by SDAC meeting held on 17.8.2002 and recovery of Rs.55,676/- was got verified by audit and the para was reduced to Rs.1,565,544.50. The para was again discussed by SDAC on 8.4.2003 and further recovery of Rs.44,676/- was got verified by audit. It was also stated that the total recoverable amount had been included in form 11 and recovery was being made regularly.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(10.7) D.F.O. Chakwal-Rs.132,169/-.

19.12.2005 The Department explained that the para was discussed by SDAC meeting held on 31.7.2002 and on 25.3.2003, all the recoverable amount had been included in form 11 and recovery was being made regularly.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(10.8) DFO, Jhang Rs.687,315/-

17.01.2007 The Department explained that out of the total recovery an amount of Rs.458,204/- had been recovered which had been got verified by audit and in the mean time more recovery had been effected leaving a balance of Rs.168,825/- which would be recovered as soon as possible.

The Committee reduced the para upto the amount recovered and verified by audit whereas the remaining **portion was kept pending.**

(10.10) DFO, Khushab Rs. 611,462/-

16.01.2007 The Department explained that after verification of record the amount of the para was reduced to Rs.474,736/- out of which an amount of Rs.419,231/- had been recovered/*set aside*. Leaving a balance of Rs.55,505/- for which action for recovery as arrears of land revenue had been initiated.

The para was kept pending for early recovery.

(10.11) DFO, Faisalabad Rs.7,538,471/-

17.01.2007 The Department explained that out of the total amount recovery of Rs.1,732,135/- and Rs.592,877/- had been recovered and cleared from the Form-11 and now the outstanding amount was Rs.3,466,678/- and efforts were being made for recovery of the outstanding amount.

The Committee reduced the para upto the amount recovered and verified by audit whereas the remaining **portion was kept pending.**

(10.12) DFO, Faisalabad Rs.9,538,368/-

17.01.2007 The Department explained that entire amount had been recovered in case of 1261-E-553-lease and 1261-E-III whereas in case of 1261-B-511, timber DFO Faisalabad, the amount was outstanding in books of different lots of dead and dry wind fallen trees which had been sold to different contractors by the DFO Canal Plantation Faisalabad (defunct) but the contractors were not allowed to cut and remove the trees in pursuance of the instruction of Forest Department conveyed vide letter dated 26-1-1994. As such sales of these lots had been cancelled by the competent authority and the amount of Rs.3,492,248/- had been cleared from the form-11.

The Committee **settled the para** to the extent of 1261-E-553-lease and 1261-E-III and the remaining portion was kept pending with the directions that Administrative Secretary should verify the cancellation of sales proceeds.

(10.13) D.F.O. Sargodha-Rs.2,922,761/-.

19.12.2005 The Department explained that the para was discussed by SDAC meeting held on 25-7-2002 and recovery of Rs.331,384/- was got verified by Audit. Remaining amount of recovery was shown in form No. 11 and was being made regularly. It was also stated that the para was again discussed by SDAC on 31-3-2003 and was settled.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(10.15) D.F.O. (RM) Bhakkar – Rs.1,060,094/-

29.12.2005 The Department explained that the matter was got investigated and all the officials were exonerated from the charges. However, the evaluation report of P&D department which clearly indicated that there was no loss to the department. The record had been produced to audit which had verified the same.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled

(10.17) DFO, Rawalpindi Rs. 353,869/-

17.01.2007 The Department explained that the total recovery involved in the para had been effected which could be verified from the available record.

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

(10.18) DFO, Bhakkar Rs.1,985,819/-

16.01.2007 The Department explained that the para consisted of two parts:-

- i. Out of balance recovery of Rs.264,856/- an amount of Rs.80,045 had been recovered whereas the remaining amount of Rs.184,811/- was being effected as 1/3 of the pay regularly.
- ii. So far recovery of Rs.266,789/- was concerned, the said amount had been shown in the NDC of the retired DFO, Bhakkar and his pension had been withheld for recovering the outstanding amount.

The para was kept pending with the directions that the recovery be made at the earliest.

(10.19) DFO, Murree Rs.572,209/-

18.01.2007 The Department explained that a sum of Rs.47,733/- had already been recovered and out of balance amount a sum of Rs.107,264/- had been recovered/written off/reconciled leaving a balance of Rs.417,047/- only.

The Committee reduced the para upto the recovery effected and verified by audit whereas the remaining **portion was kept pending**.

(10.20) DFO, Lal Sohanra Rs.976,109/-

16.01.2007 The Department explained that an amount of Rs.307,983/- had been recovered from the contractors and deposited into the government treasury whereas an amount of Rs.58,855/- was not due as the lots were cancelled. The record was available for verification.

Audit contended that the department had not produced the CV of Rs.307,983/- and had also not informed whether the cancelled lots had been auctioned or not.

The Committee **kept the para pending** with the direction that the record be got verified by Audit on that day positively.

(10.21) D.F.O. Sheikhpura/Lahore-Rs.2,233,915/-

31.12.2005 The Department explained that the para was discussed by the SDAC on 28-11-2002 and was reduced to Rs.22,33,915/-. The said amounts of form No. 11 were due against the officials/officers and recoveries were effected from their salaries in monthly installments regularly. An amount of Rs.682,772/- had been recovered.

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

(10.24) DFO, Multan Rs. 3,983,988/-

18.01.2007 The Department explained that an amount of Rs.3,851,348/- had been recovered and adjusted in the account leaving a balance of Rs.132,640/- which was being recovered from the concerned persons through monthly installments.

The Committee reduced the para upto the recovery effected and verified by audit whereas the remaining **portion was kept pending**.

(10.25) DFO, DG Khan Rs.1,836,741/-

16.01.2007 The Department explained that approximately Rs.200,434/- had been written off by the competent authority and Rs.269,015/- had been taken in the form-11.

The Committee observed that the position stated by the department was not incorporated in the working papers and directed that the latest position be explained in the working papers.

The para was kept pending.

(10.26) DFO, Rajanpur Rs.1,177,126/-

18.01.2007 The Department explained that out of the total outstanding amount of Rs.725,365/- an amount of Rs.108,144/- had been recovered and the balance amount had been depicted in form-11 where the recovery was being effected regularly.

The para was kept pending.

(10.28) Principal Punjab Forest School, Bahawalpur Rs.48,064/-

18.01.2007 The Department explained that Mr. Naseer Hussain Chughtae had retired on 14.4.2001 and the Director (B&A) had requested the Accountant General Punjab to deduct the outstanding amount from the pension of the accused officer at source. However, his appeal against recovery was also pending for decision of the competent authority.

The para was kept pending with the directions that recovery be effected from the concerned persons at the earliest.

60. **Para No. 10.29 Pages 16 & 17 of Audit Report for the Year 2001-2002; Loss of Rs.65,209,199/- Due to Non-Recovery of Government Money from Contractors/Officials**
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DFO, Lahore/Sheikhupura Rs.185,486/-

61. **Para No. 12.3 Page 19 of Audit Report for the Year 2001-2002; Recovery of Rs.116,714/- Due to Overpayment on Account of TA/DA, House Rent Allowance Etc.**
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Conservator of Forest, Faisalabad Rs.21,738/-

62. **Para No. 15.15 Page 21 of Audit Report for the Year 2001-2002; Loss of Rs.45,901,549/- Due to Non Finalization of Offence Cases.**
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DFO Bahawalpur, Rs.178,315/-

63. **Para No.25 Pages 28 & 29 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.199,715/- on Purchase of POL Recovery Thereof.**
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64. **Para No.39 Pages 37 & 38 of Audit Report for the year 2001-2002; Irregular/Un-Authorized Expenditure of Rs.248,159/- on Account of Maintenance of Forest Crop 1996-97.**
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65. **Para No.48.3 Pages 43 & 44 of Audit Report for the year 2001-2002; Irregular and Excess Drawal of GOP Share Amounting Rs.6,619,243/-.**
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Administrator/C.F Lal Suhanara National Park Bahawalpur Rs.43,600/-

66. **Para No.55.4 Pages 48 & 49 of Audit Report for the year 2001-2002; Lapse of Funds Amounting to Rs.3,300,092/- Due to Non Surrendering..**
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Conservator of Forests Faisalabad, Rs.232,506/-

67. **Para No.56 Pages 49 & 50 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.531,936/- Beyond Competency.**
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(56.1) DFO, Layyah Rs.65,500 /-

(56.6) Director PFRI Gatwala Faisalabad Rs.204,504/-

68. **Para No.63.3 Pages 55 & 56 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.484,366/- on Repair of Vehicles.**
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DFO, (South) Rawalpindi Rs.99,445 /-

69. Para No.64 Page 56 of Audit Report for the year 2001-2002; Uneconomical / Irregular Expenditure of Rs.7,662,205/- on Account of Purchase of Material and Non-Deduction of Income Tax Rs.276,160/-

70. Para No.68 Pages 59 & 60 of Audit Report for the year 2001-2002; Irregular and Unjustified Expenditure on Account of Afforestation Worth Rs.652,473/-

71. Para No.70.8 Pages 61 & 62 of Audit Report for the year 2001-2002; Non-Production of Record on Account of Different Articles Etc. Amounting to Rs.11,838,892/-

DFO, Chakwal Rs.458,175/-

72. Para No.72.1 Page 63 of Audit Report for the year 2001-2002; Likely Misappropriation of Rs.417,855/- on Account of Maintenance of Nurseries.

DFO, Khushab Rs.342,000/-

18.01.2007 The Department explained that in all the above paras necessary action had been taken in respect of audit observation and the record had been got verified by audit.

On recommendation of audit, **the paras were settled.**

73. Para No.11 Pages 17 & 18 of Audit Report for the year 2001-2002; Loss of Rs.7,515,196/- Due to Non/Less Deduction of Income/General Sale Tax.

(11.1) DFO, Layyah Rs. 240,154/-

18.01.2007 The Department explained that the para had been discussed by the SDAC in its meeting held on 31.3.2003, where in the para had been settled on verification of complete recovery. Moreover, the para was duplication of draft para No. 64 for the year 2001-02.

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

(11.2) Circle Officer, Rawalpindi-Rs.90,417/-.

31.12.2005 The Department explained that the sales tax amount of Rs.19,731/- was not recoverable as the same related to repair works of the vehicles, machinery, furniture and items of agriculture produce. Out of the remaining amount of Rs.70,686/- an amount of Rs.12,148/- had been recovered. For the balance recovery hectic efforts were being made to effect the recovery.

The Committee **settled the para subject to** balance recovery and its verification by Audit.

(11.3) D.F.O. Attock-Rs.31,233/-.

31.12.2005 The Department explained that the para was discussed by the SDAC meeting held on 25.3.2003 and was settled after verification of the record by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(11.4) D.F.O. (R&M) Bhakkar-Rs.165,964/-.

31.12.2005 The Department explained that the matter was got inquired and the para was reduced as the result of the inquiry report. The remaining amount had been recovered.

The Committee **settled the para subject to verification** of reduction/recovery by audit.

(11.7) D.F.O. (R&M) Div: Bhakkar - Rs.32,354/-.

31.12.2005 The Department explained that the total recovery had been effected and deposited into the government treasury.

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

(11.9) D.F.O. R.Y. Khan - Rs.4,917,067/-.

19.12.2005 The Department explained that the para was discussed in SDAC meeting held on 8.4.2003 and was settled. However, audit contended that the department was required to produce TC No. I dated 30.10.2002.

The Committee **kept the para pending** with the directions that the Challan No.I and date of sale and date of deposit of sales tax be produced in the next meeting.

(11.11) D.F.O. Mianwali-Rs.285,970/-.**(11.12) D.F.O. Bhakkar-Rs.20,081/-.**

31.12.2005 The Department explained that the minor produce like Munj/Kana was exempted from Sales Tax.

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

(11.13) D.F.O. Lal Sohanra National Park, Bahawalpur-Rs.12,921/-.

19.12.2005 The Department explained that the para was discussed in the SDAC meeting held on 8.4.2003 and was settled.

Audit verified the contention of the department and recommended **the para for settlement.**

(11.14) D.F.O. Layyah-Rs.159,065/-.

31.12.2005 The Department explained that the para regarding non-realization/deposit of Sales Tax of Rs.159,065/- contained two parts:-

- (I) GST on purchase Rs.19,955/-
- (II) GST on sale proceeds Rs.139,110/-

Detailed explanation was furnished as under:-

- (i) Out of Rs.19,955/-, Rs.8,465/- had already been verified by Audit and balance amount of Rs.11,490/- was being recovered.
- (ii) Out of Rs.139,110/-, Rs.14,438/- had already been verified by audit. The Sales Tax was not claimed at the time of auction of Munj/Kana as it was exempted from sales tax. The contractors had not paid balance sales tax as it was not included in the sale conditions announced at the time of auction. The Sales Tax was not chargeable on sale of Munj/Kana as per instructions of Assistant Collector (Head Quarter) Sales Tax No. C.No. IV(2)3599, 2833 dated 29.5.1999.

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

74. Para No.12.1 Page 19 of Audit Report for the year 2001-2002; Recovery of Rs.116,714/- Due to Overpayment on Account of TA/DA, House Rent Allowance Etc.

Director Budgets Accounts Forest, Lahore – Rs.31,196/-

29.12.2005 The Department explained that the entire recovery of Rs.31,196/- had been effected and got verified by audit.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled.

75. Para No.13 Pages 19 & 20 of Audit Report for the year 2001-2002; Recovery of Rs.690,925/- Due to Non Realizing of Penalty imposed Upon the Officials.

(13.1) D.F.O. Multan – Rs.562,486/-.

29.12.2005 The Department explained that the amount of the para had been included in the form No. 11 and the recovery was being made regularly.

The Committee **settled the para subject to** balance recovery and its verification by Audit.

(13.2) D.F.O. Silvicultural – Rs.39,125/-

29.12.2005 The Department explained that out of total recovery of Rs.39,125/-, Rs.18,000/- had been recovered and got verified by audit.

The Committee **settled the para subject to** balance recovery and its verification by Audit.

(13.3) Principal, Punjab Forest School, Bahawalpur Rs.49,940/-

16.01.2007 The Department explained that the AG Punjab had been requested to deduct the amount from the pension of the retired officer Mr. Naseer Hussain Chughtae.

The para was kept pending.

76. Para No.14 Page 20 of Audit Report for the year 2001-2002; Recovery of Rs.244,854/- on Account of Compensation From Farmers/Accused.

(14.1) DFO, Bahawalpur Rs.93,010/-

18.01.2007 The Department explained that the cases worth Rs.10,500/- were duplicate and the remaining 54 cases worth Rs.84,300/- were under prosecution which had also been included in the other paras. However, audit contended that none of these cases was included in the any other para.

The para was kept pending till the decision of the court.

(14.2) D.F.O. Mianwali – Rs.151,844/-

29.12.2005 The Department explained that Rs.103,950/- had been recovered and the sanction for grant of award of Rs.4,500/- had been got verified by audit.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled.

77. Para No.15 Page 21 of Audit Report for the year 2001-2002; Loss of Rs.45,901,549/- Due to Non Finalization of Offence Cases.

(15.1) DFO, Rajanpur Rs.284,516/-

18.01.2007 The Department explained that prosecution cases involved in the para were under trial in the court.

The para was kept pending till the decision of court.

(15.4) DFO, Layyah– Rs.42,800/-

18.01.2007 The Department explained that all the cases had been decided by the court and the amount of fine had been recovered where as the outstanding amount had been written off by the competent authority.

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

(15.6) DFO, Faisalabad– Rs.147,000/-

18.01.2007 The Department explained that out of 28 forest cases valuing Rs.94,500/- 23 cases amounting to Rs.37,500/- had been compounded and the amount adjusted into the government accounts. Whereas, three cases valuing Rs.20,400/- had been prosecuted in the court. The responsible officials of two cases had retired from service and the outstanding amount had been shown in the NDC which could be recovered from the pension/gratuity.

Audit contended that the department should get the outstanding amount Rs.20,400/- written off by the competent authority.

The para was conditionally settled subject to write off sanction by the competent authority.

(15.8) DFO, R.Y.Khan Rs.774,550/-

16.01.2007 The Department explained that an amount of Rs.174,275/- had been recovered and got verified by audit, leaving a balance of Rs.50,275/-.

The Committee **settled the para** to the extent of Walhar and Khanpur range and kept the part of Liaquatpur and Rahim Yar Khan pending for recovery/ necessary action by the Department.

(15.9) D.F.O. Lahore/Sheikhupura – Rs.262,835/-

29.12.2005 The Department explained the range-wise position as under:-

(i) Nankana Range

The Department explained that the four cases valuing Rs.44,750/- under Supardari had been disposed off by the department by auctioning the timber.

Audit verified the contention of the Department and recommended the part for settlement.

This part was settled.

(ii) Farooqabad Range

The Department explained that the competent authority had imposed recovery of Rs.100,450/- upon Mr. Abdul Ghafoor, Forest Guard and Rs.19,250/- upon Mr. Riaz Ahmed. The said recovery had been taken in form 11 and recovery would be made regularly.

Audit verified the contention of the Department and recommend the part for settlement.

This part was settled.

(iii) Sharakpur sub-Division

The Department explained that the show cause notices had been issued to the responsables and the two cases valuing Rs.42,000/- were under trial in the court.

This part was kept pending.

(iv) Ravi Park Range 01 case for Rs.70,450/-**(v) Nankana Range 01 case for Rs.21,735/-**

The Department explained that the said cases were under trial in the court and the action against the responsible was under process in the Department.

The Committee kept these parts pending.

(15.10) D.F.O. Lahore/S.pura – Rs41,545,306/-.

29.12.2005 The Department explained that out of 126 forest offence cases valuing Rs.15,45,306/-, 04 cases had been compounded against Rs.8,630/- and the amount of compensation had been credited to the government accounts. The Department further stated that the decision of 29 cases valuing Rs.152,170/- against which the courts had imposed fine of Rs.12,330/- had been get verified by Audit. The Department also stated that due to the devolution of the Department the recovery process was delayed.

The Committee **settled the para** with the directions that instructions be issued to the devolving functionaries for pursuing the recovery cases vigorously and a copy of the same be sent to PAC.

(15.11) D.F.O. Multan – Rs1,466,970/-.

29.12.2005 The Department explained that out of total 446 forest cases amounting to Rs.1,466,970/- only 07 cases had been decided.

The Committee **settled the para** with the directions that vigorous efforts be made to finalize all the pending cases as early as possible.

(15.16) DFO (South), Rawalpindi Rs.820,600/-

18.01.2007 The Department explained that the para had been reduced to Rs.125,263/- in SDAC meeting held on 25-3-2003 and six cases involving Rs.8,050/- had been prosecuted and recovery effected.

The Committee reduced the para to the extent of recovery effected and verified by audit whereas the remaining **portion was kept pending.**

- 78. Para No.15.18 Page 21 of Audit Report for the year 2001-2002; Loss of Rs.45,901,549/- Due to Non Finalization of Offence Cases.**
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D.F.O. Bhakkar-Rs.27,750/-

- 79. Para No.21.1 Page 26 of Audit Report for the year 2001-2002; Irregular Heavy Expenditure of Rs.3,732,102/- At the Close of Year.**
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D.F.O. Khushab-Rs.2,364,566/-

- 80. Para No.26.2 Pages 29 & 30 of Audit Report for the year 2001-2002; Irregular & Doubtful Payment of Rs.1,928,151/- on Account of Abiana Charges.**
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D.F.O. Bhakkar-Rs.600,000/-

- 81. Para No.66.2 Page 58 of Audit Report for the year 2001-2002; Loss of Rs.104,546/- Due to Excess Restocking and Watering of Plants.**
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D.F.O. Jhelum-Rs.22,307/-

- 82. Para No.66.3 Page 58 of Audit Report for the year 2001-2002; Loss of Rs.104,546/- Due to Excess Restocking and Watering of Plants.**
-

D.F.O. Jhelum-Rs.25,739/-.

19.12.2005 The Department explained that the paras were discussed by SDAC meeting held on 31.3.2003 and were settled after verification of record by Audit.

Audit verified the contention of the Department and recommended the paras for settlement.

The paras were settled.

83. Para No.16 Page 22 of Audit Report for the year 2001-2002; Loss of Rs.1,008,000/- Due to Fire Accident In Forest Area.

31.12.2005 The Department explained that the para was discussed by the SDAC meeting held on 25-7-2002 and was kept pending for inquiry at Conservator of Forest level. The inquiry had been completed and a sum of Rs.17,700/- had been imposed and taken in form No. 11, out of which a sum of Rs.4,500/- had been recovered.

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

84. Para No.18 Pages 23 & 24 of Audit Report for the year 2001-2002; Excess Expenditure of Rs.333,989/- on Account of Charges At Higher Rates.

(18.1) D.F.O.Changa Manga-Rs.57,356/-.

19.12.2005 The Department explained that afforestation expenditure including Kana/Mesquit stubbing was not exceeded to Rs.7,000/- per acre as provided in PC-I.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(18.2) D.F.O. Changa Manga-Rs.276,633/-.

19.12.2005 The Department explained that the fencing with B/wood including cutting and carriage were charged @1/8 cooly per Rft in the light of schedule of rates approved by Conservator of Forests.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

85 Para No.19 Pages 24 & 25 of Audit Report for the year 2001-2002; Loss of Rs.4,094,773/- Due to Non Finalization of Forest Cases by Courts.

(19.1) DFO, Khushab Rs. 191,821/-

16.01.2007 The Department explained that audit had wrongly calculated the outstanding amount of the para and after finalization of the cases, the matter for write off had been submitted to the competent authority.

The Committee **kept the para pending** with the directions that in case of difference of opinion between Administrative Department and Audit, advice of Finance Department be sought.

(19.2) D.F.O. Multan – Rs.1,820,074/-

30.12.2005 The Department explained that as per procedure laid down in the forest act 1927, the forest cases had been referred to concerned courts for trial and the Department could not interfere in the decisions of the court.

The Finance Department stated that the Administrative Department was justified in taking lawful action in the cases as per policy of the government.

The Committee accepted the departmental explanation and **settled the para** with the directions that Administrative Secretary should intensify his efforts to expedite the finalization of the cases.

(19.3) D.F.O. Cholistan B/pur – Rs.18,070/-

30.12.2005 The Department explained that during the meeting of SDAC held on 15-10-2002, the amount of this para had been reduced to Rs.18,070/- and the court had decided one case by imposing a fine of Rs.5,000/- which had been recovered and deposited into government treasury whereas the recovery in cases of No. 1, 2, 3 and 6 relating to Fort Abbas Range had been effected and verified by Audit.

However, audit contented that the department was required to get write off sanction of an amount of Rs.12,570/-.

Finance Department stated that the issue of write off sanction should be re-examined.

The para was accordingly kept pending.

(19.4) DFO, Bahawalpur Rs. 99,600/-

16.01.2007 The Department explained that the para was discussed by the SDAC in its meeting held on 8.4.2003 and was reduced to Rs.67,550/-. It was further stated that the FIR No. 78/2001 had been decided by the court and fine was imposed for Rs.400/-. The FIR No. 45/2001 was pending in the court of law.

The para was kept pending for recovery.

(19.5) DFO, Lahore/Sheikhupura Rs.973,150/-

18.01.2007 The Department explained that in case of Ahmadpur Range recovery of Rs.74,120/- had been effected and got verified by audit and leaving a balance of Rs.11,120/-. In case of Farooqabad Range recovery of Rs.21,950/- had been imposed and in remaining 12 cases the matter was subjudice in the court. In case of Sharkpur subdivision FC No. 117 valuing Rs.5,100/- had been sent to the court.

The para was kept pending for balance recovery and decision of the court.

(19.6) DFO, Bahawalpur Rs.634,138/-

18.01.2007 The Department explained that prosecution cases were sent to different court which were being followed properly and special prosecution staff had been engaged for the purpose however, some times the offenders did not appear in the court which resulted in delay of the cases. However, out of 384 cases, 86 cases valuing Rs.99,700/- had been decided by the court and verified by audit.

The para was kept pending for balance recovery/decision of the court.

(19.7) D.F.O. Bhakkar – Rs.350,640/-

30.12.2005 Audit contented that the para was similar in nature as para No. 19.3 and write off sanction of Rs.84,720/- was required in the matter.

Finance Department stated that the issue of write off sanction was to be re-examined.

The para was kept pending.

86. Para No.20.1 Page 25 of Audit Report for the year 2001-2002; Loss of Rs.338,300/- Due to Non Maintenance of Afforestation Areas.

D.F.O. Chichawatni-Rs.80,000/-

19.12.2005 The Department explained that the entire area planted was 10 Avenue Miles out of the plants equivalent to the area of 1.3 Avenue Miles were still available there. It was also stated that the proceedings under the Rules were initiated against the officials responsible for the failure protection of the remaining plants and the amount was realized/recovered as compensation by department.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

87. Para No.22 Pages 26 & 27 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.310,321/- on Account of Watch and Ward.

(22.1) DFO, Gujrat Rs. 137,820/-

16.01.2007 The Department explained that the case for regularization of expenditure amounting to Rs.137,820/- had been referred to the Finance Department.

The para was settled subject to regularization by Finance Department.

(22.2) DFO, D.G.Khan Rs.64,792/-

18.01.2007 The Department explained that the matter for regularization had been taken up with the competent authority which was being pursued vigorously.

The para was conditionally settled subject to regularization by the competent authority.

(22.3) D.F.O., Layyah – Rs.21,959/-

29.12.2005 The Department explained that the para had already been discussed and settled during SDAC meeting held on 31-3-2003 after verification of the record.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled.

(22.4) DFO, DG Khan Rs. 85,750/-

16.01.2007 The Department explained that the labour charges for the cutting/conversion of trees had been provided by the Department under sub-head 517-599(i) and 517-599 (ii). After cutting/conversion watch and ward was required for which budget was always provided by department under this head.

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

88. Para No.23 Pages 27 & 28 of Audit Report for the year 2001-2002; Irregular Cash Forest Advances Amount Under Observation Rs.2,826,094/-

31.12.2005 The Department explained that since PLA of CF, Extension Circle, Lahore was at Lahore. DFO, Faisalabad and DFO, Gujranwala were given cash advance on the directions of CF, Extension Circle, Lahore, due to the reason that it took 4-5 weeks to clear PLA cheques if submitted at the Treasuries out of Lahore i.e. Gujranwala and Faisalabad. This amount was released during June. It was not possible for DFO, Faisalabad and Gujranwala to utilize this amount, if it were not done, the said amount would have been lapsed due to lengthy procedure of passing PLA cheques. That was why the cheque was issued to DFO Extension, Lahore and cash was handed over to respective DFO's.

It was also stated that PLA of PFSDP, division Lahore was operated only in Lahore Treasury and there was no PLA of DFO (PFSDP), Lahore at 03 treasuries i.e. Sheikhpura, Kasur and Okara. Resultantly every disburser had to spend at least five days to receive cheque, got it passed from treasury and en-cashed it. This practice was not only cumbersome but also involved more expenditure under the heads of POL and TA/DA, besides wastage of time to over come such constraints cheques were usually issued in favour of one disburser and other disburser posted at far-flung places used to take cash from the disburser to whom cheques were issued.

All disbursers of Lahore Extension Division had been directed vide letter No.245-50/AC dated 13.8.2001 to make their disburser card and the amount would be disbursed through cheques. This practice of forest advance in Lahore Extension Division had been stopped.

The Committee **kept the para pending** for verification of record within 90 days under intimation to the PAC.

89. Para No.24 Page 28 of Audit Report for the year 2001-2002; Irregular Advance Payment of Pay and Allowances Rs.148,359/-.

(24.1) DFO, Gujranwala (PESDP) Rs.99,689/-

18.01.2007 The Department explained that pay of the staff of PFSDP for the month of 6/2001 was paid during the same month to make up the utilization of the funds and avoid lapse of funds. Moreover, the PFSDP had been closed on 31-12-2001 and the pay had been actually disbursed among the staff and no over payment was involved in the matter.

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

(24.2) D.F.O. Ext. (PFSDP), Lahore – Rs.48,670/-

29.12.2005 The Department explained that the project was completed in June 2001 and the pay of incremental staff of PF SDP division was paid on 29-6-2001 as per directions of the CF, extension Lahore vide minutes of meeting dated 6-4-2001. It was also stated that there was no over payment and no official remained absconding from duty.

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

90. Para No. 26.1 Pages 29 & 30 of Audit Report for the Year 2001-2002; Irregular & Doubtful Payment of Rs. 1,928,151/- on Account of Abiana Charges

DFO, Multan Rs. 1,328,151/-

16.01.2007 The Department explained that as per directions by the PAC-I held on 01.01.1995 the Finance Department was requested to move the reference to Federal Govt. for deduction of the amount at source from the releases to be made to the Ministry of Defence. The last reminder was issued on 1-12-2005.

The para was kept pending with the directions to pursue the case with the Ministry of Defence.

91. Para No.27 Page 30 of Audit Report for the year 2001-2002; Irregular and Uneconomical Expenditure of Rs.129,001/- on Account of Purchase of Grams.

18.01.2007 The Department explained that tenders were invited for purchase of feed for animals/birds in National Park but no contractor offered the bid but the purchase of feed was inevitable for up keep of birds and animals. Therefore, quotations were obtained from the local market and purchases were made according to the delegation of Financial Power Rules and no irregularity was committed. Moreover, the income tax was deducted and deposited into government treasury.

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

92. Para No.28 Page 31 of Audit Report for the year 2001-2002; Irregular/Uneconomical Expenditure on Carriage of Plants Rs.229,030/-

19.12.2005 The Department explained that the para was discussed by SDAC meeting held on 25.3.2003 and was settled after verification of record by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

93. Para No.30 Page 32 of Audit Report for the year 2001-2002; Irregular, Uneconomical and Doubtful Expenditure of Rs.723,530/-

18.01.2007 The Department explained that income tax for Rs.10,555/- had been imposed upon the responsible staff and recovery had been taken in form-11 out of which Rs.2,000/- had been recovered and revised TS for Rs.148,890/- had been issued by CF, DG Khan and other estimate for Rs.62,135/- was approved by DFO, Rajanpur and the total amount of Rs.211,105/- was provided against which work was required to be done at different sites through labourers and the rates had been charged as per work carried out according to the conditions at site and MB/relevant record could be verified by audit.

Audited stated that departmental contention was not justified and the matter required regularization.

The para was kept pending for regularization by competent authority.

94. Para No.31 Page 33 of Audit Report for the year 2001-2002; Undue Retention of Government Money Rs.726,336/- Recovery of Accrued Interest Thereon.

19.12.2005 The Department explained that the amount of Rs.726,336/- had been transferred and paid to concerned department as per following details:

1. Sales Tax Rs.638,685/- paid to the Sales Tax department vide cheque No. 577098 dated 19-7-2004.
2. Stamp Duty Rs.2,800/- paid during 9/2005.
3. Income Tax Rs.17,060/-paid vide cheque No. 576675 dated 6-8-2002.
4. Earnest Rs.67,463/- transferred to proper head of revenue.
5. Income Rs.328/-paid vide Dr. Item No. 3/D of 10/01 Tax from salary.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

95. Para No. 32 Pages 33 & 34 of Audit Report for the Year 2001-2002; Irregular and Doubtful Expenditure of Rs. 2,208,131/- on Account of Irrigation/ Embankment of Pattavies/Dressing of Pattries etc.

16.01.2007 The Department explained that all the works carried out had been entered in the measurement book and history sheet. However, there was no practice to mention the ID card number in the muster roll.

The representative of Finance Department was of the view that the Administrative Secretary should ensure that there was no fake payment.

The Committee settled the para subject to verification by the Administrative Secretary that no fake payment was made.

96. Para No. 33 Page 34 of Audit Report for the Year 2001-2002; Excess Drawal of Rs.52,869/- Over Amount Released and Expenditure charged to the Project

16.01.2007 The Department explained that an amount of Rs.16,325,000/- was issued to Chief Conservator/PD, Lahore against the allocation of Rs.17,253,571/- and there was excess expenditure of Rs.52,869/- in the year 2000-2001 which was available as left over amount of the last year. As such the total amount spent was within allocation.

The Committee was not satisfied with the explanation of the department and directed the Department to get the matter regularized by the Finance Department within 30 days.

The para was kept pending.

- 97. Para No.36 Pages 35 & 36 of Audit Report for the year 2001-2002; Purchase of Thermo hygrograph With Accessories (Two Units) at higher Rates Than Provided in PC-1(Revised) Resulting in Excess Payment of Rs.197,741/-.**
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18.01.2007 The Department explained that there was provision for purchase two hygro-thermographs in PC-1 scheme out PFSDP and its purchase was indispensable for running the tissue culture lab. The purchases were made after inviting the quotations and preparation of comparative statement and all the codal formalities were observed. Moreover, the expenditure did not exceed the allocated amount.

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

- 98. Para No.42 Pages 39 & 40 of Audit Report for the year 2001-2002; Non-Reconciliation of Forest Remittances into Government Treasury for Rs.434,802/-**
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29.12.2005 The Department explained that the copies of the monthly CTRS had been obtained from the DAO, Layyah and compassed/reconciled with form 15, which had been got verified by audit.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled.

- 99. Para No.43 Page 40 of Audit Report for the year 2001-2002; Irregular Payment of Rs.200,000/- on Account of Hiring of Bulldozer from Agriculture Department Advance Payment With Departmental Bills.**
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19.12.2005 The Department explained that the payment was made through a cross cheque to Assistant Agriculture Engineer and the same had been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 100. Para No. 45 Page 41 of Audit Report for the Year 2001-2002; Irregular Shifting of Head Quarter Payment of Rs.131,050/-**
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16.01.2007 The Department explained that at the time of merging the Canal side Plantation with Forest Department through reorganization of charges, the Headquarter of R.F.O, Shujabad Canal was fixed at Multan. Accordingly Director, Budget & Accounts (Forests) issued salary slips in favour of various Officers posted as Range Forest Officer, Shujabad with allowances entitled for big city.

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

101. Para No.46 Pages 41 & 42 of Audit Report for the year 2001-2002; Unjustified/ Doubtful Restocking of Plants Valuing Rs.184,350/- Recovery of Rs.55,314/-

19.12.2005 The Department explained that the para was discussed by SDAC meeting held on 8.4.2003 and the Muster Rolls duly prepared and signed by the DFO, Rajanpur had been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

102. Para No.47 Pages 42 & 43 of Audit Report for the year 2001-2002; Irregular/ Unjustified Expenditure of Rs.443,037/- on Account of Law Charges and Non recovery of Income Tax Amounting to Rs.22,153/-.

18.01.2007 The Department explained that the mater was discussed in the SDAC meeting held on 28-12-2002 and was kept pending for regularization. Accordingly, a case for regularization of the expenditure had been submitted for approval of the competent authority.

The Committee **settled the para subject to** regularization by the competent authority.

103. Para No.49.2 Page 44 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.279,339/- on Account of Leveling of Land and Non-Recovery of Income Tax Amounting to Rs.9,598/-

DFO, Sahiwal Rs.87,380 /-

18.01.2007 The Department explained that expenditure incurred on leveling operation was quite justified and approved in the APO by the competent authority and there as no need of getting separate sanction for this purpose as it was already mentioned in the per acre estimate. Therefore the expenditure was within approved rate. The Administrative Secretary assured the Committee that there was no melafide involved in the matter.

On assurance of the Administrative Secretary, the Committee **settled the para.**

104. Para No.51 Page 46 of Audit Report for the year 2001-2002; Excess Payment of Rs.3,127,534/- on Account of Carriage and Loading/Unloading Charges.

19.12.2005 The Department explained that the para was discussed by SDAC meeting held on 19.10.2002 and was settled after verification of record by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 105 Para No.52.1 Pages 46 & 47 of Audit Report for the year 2001-2002; Excess Payment of Cooly Charges Amounting to Rs.121,118/- on Various Forest Operations**

DFO, Lahore/Sheikhupura Rs.75,845/-

18.01.2007 The Department explained that the provision for the expenditure in question existed in the PC-1 and the expenditure was incurred in accordance with the provision of the Finance Department. The Administrative Secretary assured the Committee that there was no melafide involved in the matter.

On assurance of Administrative Secretary, the Committee **settled the para.**

- 106. Para No. 53.1 Page 47 of Audit Report for the Year 2001-2002; Irregular Expenditure of Rs. 742,502/- on Account of Pending Liabilities**

Conservator of Forest Multan Rs. 720,698/-

- 107. Para No. 54.1 Page 48 of Audit Report for the Year 2001-2002; Irregular/Misclassified Expenditure of Rs. 339,956/-**

AO C&F (PE) Punjab Central Zone Lahore Rs. 162,488/-

16.01.2007 The Department explained that the case for regularization had been submitted to the competent authority.

The paras were kept pending with the directions that the case be pursued vigorously.

- 108. Para No.53.3 Page 47 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.742,502/- On Account of Pending Liabilities.**

D.F.O. Chichawatni-Rs.21,804/-.

19.12.2005 The Department explained that restriction of payment to the previous claim (liability without sanction of FD) as prescribed under Rule 2.25 (a to e) of Punjab Financial Rules Vol. I was not applicable to contingent charges under Rule 2.26. Such charges were recorded as charges of the month in which they were disbursed from the treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

109. Para No. 54 Page 48 of Audit Report for the Year 2001-2002; Irregular/Misclassified Expenditure of Rs. 339,956/-

(54.2) DFO, Rajanpur Rs. 94,123/-

16.01.2007 The Department explained that as per decision of the SDAC meeting held on 8.4.2003, the para was reduced to Rs.23,700/-. The Department further stated that an amount of Rs.8,700/- had been recovered and deposited into the government treasury. While Rs.15,000/- were paid to the DGPR on account of advertisement charges for the sale of forest produced.

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

(54.3) Conservator of Forests, Faisalabad, Rs.52,121/-

18.01.2007 The Department explained that the matter for regularization of irregular expenditure had been referred to the FD.

The para was kept pending for regularization.

110. Para No. 55 Pages 48 & 49 of Audit Report for the Year 2001-2002; Lapse of Funds Amounting to Rs.3,300,092/- Due to Non Surrendering

(55.1) DFO, Okara Rs. 841,735/-

16.01.2007 The Department explained that the Appropriation Accounts for the year 2000-2001 had been settled by the PAC-I in its meeting held on 2.8.2005.

The para was settled.

(55.3) Director PFRI Gatwala Faisalabad, Rs.824,844 /-

18.01.2007 The Department explained that amount of Rs.824,844/- was of the IDA share which was not lapsable whereas the cheques amounting to Rs.789,694/- were cancelled and in lieu new cheques were issued during the next financial year. Moreover, the PLA was opened with approval of the Finance Department.

The Committee was not satisfied with explanation of the department and directed the department to get the matter regularized by the competent authority.

The para was conditionally settled subject to regularization by the competent authority.

111. Para No.56 Pages 49 & 50 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.531,936/- Beyond Competency.

(56.2) D.F.O. Layyah – Rs.54,285/-

29.12.2005 The Department explained that the para was discussed by the SDAC meeting held on 31-3-2003 and the contention of the department that the purchases under object 517-599 (F) was made by the DDO under special Powers of Forest Department who was fully competent to accord sanction in sowing and planting.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled.

(56.4) DFO, Sahiwal Rs.109,736 /-

18.01.2007 The Department explained that P-bags were purchased through quotations on basis of availability of funds and the purchases were made on the most economical rates and the purchase of these items fell under the operation of sowing and planting for which the DFO was fully competent.

The Committee accepted the departmental contention and **settled the para.**

112. Para No. 56.5 Pages 49 & 50 of Audit Report for the Year 2001-2002; Irregular Expenditure of Rs. 531,936/- beyond Competency

Conservator of Forest MKDA Rawalpindi Rs. 50,511/-

113. Para No. 58 Page 51 of Audit Report for the Year 2001-2002; Excess Expenditure of Rs. 739,475/- Over and Above Budget Allocation

16.01.2007 The Department explained that the cases for regularization of expenditure had been submitted to the competent authority.

The paras were kept pending with the directions to pursue the cases for early finalization.

114. Para No.57.1 Page 50 of Audit Report for the year 2001-2002; Non-Verification of Deposits Amounting to Rs.542,499/-

DFO, (South) Rawalpindi Rs.283,319 /-

18.01.2007 The Department explained that the para had been reduced to Rs.71,836/- in the SDAC meeting held on 25-3-2003. Whereas, Rs.3,396/- had been taken as duplicate by audit

and Rs.9039/- pertained to the income and trade tax and challan for the purpose were available. Moreover, the CTR of Rs.57,736/- had also been produced to audit for verification.

Audit verified the departmental contention in the meeting.

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

115. Para No. 61.1 Page 53 of Audit Report for the Year 2001-2002; Irregular Expenditure of Rs.1,043,489/- on Forestry Operations without the Approval of APO

DFO (R&M) Bakkar Rs. 464,614/-

16.01.2007 The Department explained that the competent authority to prove the APO was conservator of forest and the approval had already been sought. However, audit contended that the approval was accorded after 11 months of the close of financial year during which the expenditure was incurred.

The para was kept pending with the directions that the matter be got regularized by the Finance Department.

116 Para No.62.3 Page 54 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.242,750/- on Account of Repair of Office Buildings and Rest House Recovery of Rs.12,463/-.

D.F.O. Layyah – Rs.17,864/-

29.12.2005 The Department explained that the para was discussed by SDAC meeting held on 31.3.2003 and was settled after verification of record.

Audit contended that the department should produce the minutes of SDAC meeting before the PAC.

The Department stated that the minutes were not available at this stage and the para was kept pending for next day for production of record by the department.

On 30.12.2005, Audit stated in the meeting that facts had been verified and departmental contention was justified.

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

117. Para No. 63 Pages 55 & 56 of Audit Report for the Year 2001-2002; Irregular Expenditure of Rs.484,366/- on Repair on Vehicles.

(63.1) DFO, Multan Rs.113,989 /-

18.01.2007 The Department explained that expenditure incurred was within the competency of divisional Forest Officer and the cost of the individual items of repair did not exceed the

financial power and the NOC was issued by the Assistant Agricultural Engineer, Khanewal and the entries of old replaced parts existed in the dead stock register.

Audit stated that departmental contention regarding competency of DFO was not justified and the matter was required to be regularized.

The para was kept pending with the directions that the expenditure be got regularized by the competent authority.

(63.5) DFO, Khushab Rs.52,700/-

17.01.2007 The Department explained that amount of repair was less than 50,000 and therefore open tenders system was not applicable and NOC was obtained from MVE and all the relevant record had been produced to audit for verification.

Audit stated that departmental contention had been verified from the record.

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

(63.7) DFO, Gujrat Rs.25,592/- & 892 (IT)

17.01.2007 The Department explained that the matter had been referred for regularization by the competent authority which was still under process.

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

118. Para No. 66.1 Page 58 of Audit Report for the Year 2001-2002; Loss of Rs.104,546/- Due to Excess Restocking and Watering of Plants.

DFO, D.G.Khan Rs.56,500/-

17.01.2007 The Department explained that restocking was done within provided budget and the DFO, DG Khan had submitted the inquiry report stating that restocking was justified upto 15,000 plants as plantation was totally damaged due to floods. Moreover, the hand watering was charged according to the schedule provided in the appendix of approved APO and no excess was involved.

The Committee directed that Administrative Secretary should re-examine the matter to thrash out the facts and if required, get the matter written off by the Competent Authority.

The para was kept pending.

119. Para No.67.1 Pages 58 & 59 of Audit Report for the year 2001-2002; Irregular and Unauthorized Advance Drawal of Rs.475,316/-.

(67.1) Secretary Forest – Rs.248,760/-.

19.12.2005 The Department explained that the meter of the office building was out of order and the payment of electricity bills were made to Revenue Officer of WAPDA authority which was evident from letter No. 3-1/99-IV dated 20-9-2000. However the payments made had been reconciled with WAPDA authorities and the reconciliation certificate was available for verification.

The Committee **settled the para subject to verification** of reconciliation certificate issued by WAPDA authorities by Audit.

(67.3) DFO, (RM) Bhakkar Rs.63,286/-

17.01.2007 The Department explained that the matter had been referred to the Finance Department for regularization of the expenditure. However, the Finance Department had deferred the decision of the case till consideration by the PAC.

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

120. Para No.69 Page 60 of Audit Report for the year 2001-2002; Non Accountal of Plants/Stumps Worth Rs.229,818/- In Timber Form-7.

19.12.2005 The Department explained that the plants/stumps were duly counted for in Timber form No. 7 which had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

121. Para No. 70 Pages 61& 62 of Audit Report for the Year 2001-2002; Non-Production of Record on Account of Different Articles Etc. Amounting to Rs.11,838,,892/-

(70.1) Conservator of Forest, Lal Soharnra Rs.86,000/-

17.01.2007 The Department explained that all the record pertaining to the funds of Rs.86,000/- had been produced to audit for verification. However, the ID Cards of the labours had not been mentioned in the relevant register.

The committee **settled the para** with the warning that no payment be made in future without production National ID Cards.

(70.4) D.F.O. Chakwal – Rs.5,375,464/-.

29.12.2005 The Department explained that the para was discussed by SDAC meeting held on 01.5.2003 and was settled after verification of record by audit.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled.

(70.5) Director PFRA Gatwala Faisalabad-Rs.183,000/-.

19.12.2005 The Department explained that the vouched accounts amounting to Rs.183,000/- had been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(70.10) Secretary Forest Government of the Punjab, Lahore – Rs.280,000/-.

29.12.2005 The Department explained that the POL purchased from the government fund was duly entered in log books of the said vehicles but the audit contented that the log books were not prepared as per instructions of the government which required point to point journey and specific purpose of journey be recorded in the log books.

The Committee **settled the para** with the directions that the log books be maintained as per the government instructions in future.

(70.11) D.F.O. R.Y. Khan-Rs.234,507/-.

19.12.2005 The Department explained that the Block Officer, Headquarter received firewood and entered in Form No. 5 & 6 (Depot headquarter DG Khan). The carriage of firewood was also charged as per government instructions. Firewood was distributed among the staff Divisional Office, DG Khan and circle office. The cost of permit fee was also remitted into Government Treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(70.12) Conservator of Forest Coordination, Multan – Rs.117,555/-.

29.12.2005 The Department explained that the matter was discussed in SDAC meeting held on 8-4-2003 and was settled. However, Audit contented that the requisite record was not produced to audit at the time of SDAC.

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

122. Para No. 71 Page 62 of Audit Report for the Year 2001-2002; Non-Production of Vouched Account for Rs.435,000/-

17.01.2007 The Department explained that vouched accounts of Project Director/CCF PFSDP had since been received and were available for verification.

The para was kept pending for verification.

123. Para No.72.2 Page 63 of Audit Report for the year 2001-2002; Likely Misappropriation of Rs.417,855/- on Account of Maintenance of Nurseries.

D.F.O. Layyah – Rs45,900/-

29.12.2005 The Department explained that the para was settled by the SDAC meeting held on 31.3.2003 after verification of record by audit but the audit contented that the department had not produced any record to audit for verification.

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

HEALTH

The paras were discussed in the meetings of PAC-II held on 18.04.2006, 19.04.2006, 20.04.2006, 16.12.2006, 18.12.2006, 27.04.2007 & 28.04.2007.

Audit Pa ras (Commercial) for the year 2001-2002

1. Para No.54 Page 59 of Audit Report for the year 2001-2002; Working Results

18.04.2006 The Department explained that now the commercial accounts/proforma accounts of MSD for the year 2001-2002 to 2004-2005 had been submitted and requested that delay in submission of the accounts for the year 2001-2002 may be condoned.

The Committee **settled the para** with the directions that such lapse could not be occurred in future.

2. Para No.55 Page 60 of Audit Report for the year 2001-2002; Working Results

18.04.2006 The Department explained that the accounts for the year 2001-2002 had been timely submitted before the target date.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled.

3. Para No.56 Page 61 of Audit Report for the year 2001-2002; Recoverable Loan Amounting to Rs.900,000/-

18.04.2006 The Department explained that the total amount had been recovered and the matter for the imposition of 100% penalty for delay in repayment was pending for the decision by the Board of Management.

The Committee **kept the para pending** till the decision of the Board.

4. Para No.57 Pages 62 & 63 of Audit Report for the year 2001-2002; Working Results

18.04.2006 The Department explained that the council was educational body, however, the council was doing efforts for the enhancement of income by conducting the examination. It was also stated that the publication of Phar-med Journal had been restarted.

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

5. Para No.58 Pages 63 & 64 of Audit Report for the year 2001-2002; Working Results

18.04.2006 The Department explained that now the financial statement was being prepared as directed by Audit.

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

Audit Paras (Civil) for the Year 2001-02

1. Para No.1 Page 9 of Audit Report for the year 2001-2002; Misappropriation of Probe Machine Worth Rs.150,000/-

19.04.2006 The Department explained that one ultrasound probe model SA-881, serial No. 01099 (SONY) had also been received on 12.07.2005.

The Committee was not satisfied with the explanation of the Department and desired that a fact finding inquiry be held into the matter and report to PAC within 90 days.

The para was kept pending.

2. Para No.2.1 Pages 9 & 10 of Audit Report for the year 2001-2002; Shortages of Stores Valuing Rs.783,365/-

Nishtar Hospital, Multan – Rs.54,810/-

19.04.2006 The Department explained that Rs.7,783/- had been recovered and the balance amount was not due. The record was available for verification.

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

3. Para No.2.2 Pages 9 & 10 of Audit Report for the year 2001-2002; Shortages of Stores Valuing Rs.783,365/-

DHQ Hospital, Attock Rs.58,083/-

4. Para No.4 Pages 11 & 12 of Audit Report for the year 2001-2002; Shortage of Medicines Recovery of Rs.5,655,146/- Thereof

(4.1) DHQ Hospital, Attock Rs.473,443/-

(4.3) DHQ Hospital, Attock Rs.603,591/-

5. **Para No.73.2 Pages 68 & 69 of Audit Report for the year 2001-2002; Non-Production Maintenance of Record in Support of Issue of Machinery and Equipments to the Tune of Rs.360,381**
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DHQ Hospital, Attock Rs.153,194/-

28.04.2007 The Department explained that District Monitoring Team, Attock visited hospital on 10.5.2000 and pointed out certain irregularities in the stores and inquiry committee was constituted which had pointed recovery against Mr. Maroof Shah, Ex-Store Keeper. A show cause notice was issued and his services were terminated. Two FIRs had been registered against him in the Anti corruption Establishment and now he had been declared as absconder.

The Committee **kept the paras pending** with the directions that recovery as arrear of land revenue be initiated and the case in the Anti Corruption Establishment be pursued vigorously.

6. **Para No.2.5 Pages 9 & 10 of Audit Report for the year 2001-2002; Shortages of Stores Valuing Rs.783,365/-**
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B.V Hospital Bahawalpur – Rs.88,128/-

7. **Para No.10 Pages 18 & 19 of Audit Report for the year 2001-2002; Irregular Award of Advance Increments to Charge Nurses Rs.2,301,225/-**
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(10.3) Sh. Zayed Hospital R. Y. Khan – Rs.37,548/-

(10.6) B.V Hospital Bahawalpur – Rs.38,096/-

8. **Para No.12.4 Page 20 of Audit Report for the year 2001-2002; Recovery of Irregular Grant of Advance Increments to Technical Staff.**
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Sh. Zayed Hospital R. Y. Khan – Rs.77,089/-

9. **Para No.19.2 Pages 28 & 29 of Audit Report for the year 2001-2002; Non-Deduction of Professional Tax. Rs.332,600/-.**
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Quaid-e-Azam Medical College, Bahawalpur – Rs.41,400/-

10. **Para No.24.5 Pages 32 & 33 of Audit Report for the year 2001-2002; Non-Deposit/Deduction of House Rent Allowance Amounting to Rs.34,238,375/- Recovery Thereof.**
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B.V Hospital Bahawalpur – Rs.86,983/-

11. **Para No.29 Page 37 of Audit Report for the year 2001-2002; Irregular Payment of Dress Allowance Amounting to Rs.72,600/-**

18.04.2006 The Department explained that total recovery in these paras had been effected and got verified by Audit.

Audit verified the contention of the department and recommended the paras for settlement.

The paras were settled.

12. **Para No.2.8 Pages 9 & 10 of Audit Report for the year 2001-2002; Shortage of Stores Valuing Rs.783,365/-**

Holly Family Hospital, Rawalpindi – Rs.57,350/-

13. **Para No.4.9 Pages 11 & 12 of Audit Report for the year 2001-2002; Shortage of Medicines Recovery of Rs.5,655,146/- Therefore.**

Holy Family Hospital, Rawalpindi – Rs.285,945/-

14. **Para No.7.16 Pages 15 & 16 of Audit Report for the year 2001-2002; Non Deduction of Income Tax Rs.5,640,563/-and US \$16,258 (Rs.930,770/-APP)**

Allied Hospital, Faisalabad – Rs.50,467/-

15. **Para No.10 Pages 18 & 19 of Audit Report for the year 2001-2002; Irregular Award of Advance Increments to Charge Nurses: Rs.2,301,225/-**

(10.4) DHQ Hospital, Okara – Rs.408,694/-

(10.11) D.H.Q. Hospital, Chakwal – Rs.32,200/-

16. **Para No.14 Pages 21, 22 & 23 of Audit Report for the year 2001-2002; Loss of Rs.15,235,732/- Due to Non-Deduction/Non-Deposit of General Sales Tax.**

(14.4) DHQ Hospital, Faisalabad – Rs.99,446/-

(14.6) DHQ Hospital, Mianwali – Rs.103,317/-

(14.18) Lady Wallington Hospital, Lahore – Rs.667,718/-

(14.22) Secretary Government of the Punjab Health Department, Lahore – Rs.368,147/-

17. **Para No.15 Pages 24, & 25 of Audit Report for the year 2001-2002; Non Deposit of Government Dues Amounting to Rs.4,915,363/- in Government Treasury.**
- (15.3) DHQ Hospital, Faisalabad – Rs.73,838/-**
- (15.4) DHQ Hospital, Khushab – Rs.48,949/-**
- (15.6) A.B.S. Hospital, Gujrat – Rs.79,764/-**
- (15.20) King Edward Medical College, Lahore – Rs.1,931,362/-**
- (15.26) D.H.Q Hospital, Kasur– Rs.39,075/-**
18. **Para No.23 Pages 31 & 32 of Audit Report for the year 2001-2002; Non-Collection etc. of Utility Charges: Rs.8,549,642/-**
- (23.10) C.E .Lahore General Hospital, Lahore – Rs.100,000/-**
- (23.18) D.H.Q Hospital, Kasur– Rs.231,134/-**
19. **Para No.24.12 Pages 32 & 33 of Audit Report for the year 2001-2002; Non-Deposit/Deduction of House Rent Allowance Amounting to Rs.34,238,375/-- Recovery Therefore.**
- Government Haji Qayum Hospital, Sahiwal – Rs.112,798/-**
20. **Para No.25 Page 34 of Audit Report for the year 2001-2002; Misuse of Government Vehicles – Recovery of Rs.829,580/-**
- (25.2) Secretary to Government of Punjab Health Department, Lahore – Rs.136,261/-**
- (25.3) King Edward Medical College, Lahore – Rs.34,189/-**
21. **Para No.37.2 Pages 41 & 42 of Audit Report for the year 2001-2002; Non-Accountal of POL Valuing Rs.414,353/-**
- MS DHQ Hospital, Layyah – Rs.65,519/-**
22. **Para No.39.3 Page 43 of Audit Report for the year 2001-2002; Non-Deposit of Government Share Amounting to Rs.7,527,814/- on Account of Miscellaneous Receipts.**
- Government Public Analyst Punjab, Lahore – Rs.313,628/-**

23. **Para No.44 Pages 47 & 48 of Audit Report for the year 2001-2002; Non-Deduction of 5% of Pay on Account of House maintenance and Repair Recovery of Rs.2,263,120/-**
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(44.2) DHQ Hospital, Khushab – Rs.37,379/-

(44.5) Lady Wallington Hospital, Lahore – Rs.82,236/-

24. **Para No.63 Page 61 of Audit Report for the year 2001-2002; Unjustified Payment of Salary Rs.448,600/- to Employees Appointed on Bogus Appointment Orders**
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25. **Para No.81 Pages 75 & 76 of Audit Report for the year 2001-2002; Irregular and Uneconomical Expenditure of Rs.978,952/-**
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(81.1) Secretary to Government of Punjab Health Department, Lahore – Rs.157,838/-

(81.2) DHQ Hospital, Faisalabad – Rs.58,347/-

(81.3) Secretary to Government of Punjab Health Department, Lahore – Rs.145,141/-

26. **Para No.82 Page 76 of Audit Report for the year 2001-2002; Unauthorized Claim of Share Amounting to Rs.1,042,336/- Recovery Therefore.**
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27. **Para No.85.5 Pages 78 & 79 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of Repair of Vehicles to the Tune of Rs.768,492/-**
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Secretary Government of the Punjab, Health Department, Lahore – Rs.156,153/-

28. **Para No.95.2 Pages 88 & 89 of Audit Report for the year 2001-2002; Irregular Expenditure to the Tune of Rs.2,023,219/-**
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DHQ Hospital, Khushab – Rs.257,101/-

29. **Para No.99.7 Pages 91 & 92 of Audit Report for the year 2001-2002; Non-Surrendering of Saving/Unspent Balances Amounting to Rs.36,219,788/-**
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Divisional Blood Transfusion of Gujranwala – Rs.469,995/-

30. **Para No.102 Pages 95 & 96 of Audit Report for the year 2001-2002; Irregular/Uneconomical Purchase of Chemicals, Instruments Amounting to Rs.654,965/-**
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31. **Para No.107.8 Pages 100 & 101 of Audit Report for the year 2001-2002; Purchases at Higher Rats Loss of Rs.1,479,807/-**

Holy Family Hospital, Rawalpindi – Rs.63,800/-

32. **Para No.112.2 Pages 104 & 105 of Audit Report for the year 2001-2002; Irregular Purchases: Rs.5,892,678/-**

Secretary Government of Punjab Health Department, Lahore – Rs.339,391/-

33. **Para No.121 Page 111 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.6,129,305/- on Account of Purchase of Medicine.**

34. **Para No.130.6 Page 118 of Audit Report for the year 2001-2002; Non-Production of Record Amounting to Rs.32,644,198/-**

Allied Hospital, Faisalabad – Rs.1,082,810/-

16.12.2006 The Department explained that Departmental contention had been verified by the Audit from supporting record.

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

35. **Para No.3 Pages 10 & 11 of Audit Report for the year 2001-2002; Mis-Appropriation of Rs.161,632/-**

18.12.2006 The Department explained that the said amount was embezzled by Mr. Rana Ibrar Ali while he was working as Accountant/Cashier. However, when this matter come into the notice of MS, his services were terminated. But later on considering his appeal, the DHS, Multan reinstated him in service with the condition to the deposit the embezzled amount in installment through his salary @ Rs.2,000/- per month. Whole recovery had been made and deposited into the government treasury.

The Committee observed that in numerous paras embezzlement of Government money was involved wherein actual amount had later been recovered from the responsible persons in meager installments on monthly basis.

Finance Department contented that the Administrative Departments should devise a mechanism to deposit the daily receipts in the treasury on daily basis and disciplinary proceedings on account of embezzlement in receipts of each Hospital, should be timely communicated to the Government.

After detailed examination of the matter, the Committee expressed its great concern on the fact that the defaulters had deposited the embezzled amount in meager installments

and no penal action was taken against them. The Committee desired that Administrative Department should take necessary remedial measures to discourage such practices in future.

The Committee further directed that Mr Rana Ibrar Ali should be immediately shifted from this Hospital and he should never be again posted in the same capacity.

The para was kept pending.

- 36. Para No.4 Pages 11 & 12 of Audit Report for the year 2001-2002; Shortage of Medicines. Recovery of Rs.5,655,146/- Thereof.**
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(4.4) M.S. DHQ Hospital, Pakpattan – Rs.63,554/-

18.12.2006 The Department explained that the matter was probed and as per finding actual shortage was of Rs.1,120/- which had been recovered and deposited into the government treasury. However, the record for the remaining medicines was available.

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

- 37. Para No.4 Pages 11 & 12 of Audit Report for the year 2001-2002; Shortage of Medicines. Recovery of Rs.5,655,146/- Thereof.**
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(4.6) M.S. DHQ Hospital Sahiwal – Rs.93,565/-

(4.7) M.S. DHQ Hospital Sahiwal – Rs.27,510/-

(4.8) M.S. DHQ Hospital Sahiwal – Rs.74,252/-

(4.10) Holy Family Hospital, Rawalpindi – Rs.29,644/-.

- 38. Para No.7 Pages 15 & 16 of Audit Report for the year 2001-2002; Non-Deduction of Income Tax Rs.5,640,563/- and US \$ 16,258 (Rs.930,770/- App.).**
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(7.1) District Headquarter Hospital, Jhang – Rs.25,445/-

(7.8) DHQ Hospital Sahiwal – Rs.30,978/-

(7.9) DHQ Hospital Sahiwal – Rs.39,921/-

(7.10) Allied Hospital, Faisalabad – Rs.103,801/-

(7.15) A.I.M. Hospital, Sialkot – Rs.238,514/-

- 39. Para No.10 Pages 18 & 19 of Audit Report for the year 2001-2002; Irregular Award of Advance Increments to Charge Nurses Rs.2,301,225/-**
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(10.1) DHQ Hospital Sargodha – Rs.50,876/-

(10.12) Government Kot Khawaja Saeed Hospital, Lahore – Rs.75,870/-

(10.13) DHQ Hospital Sheikhpura – Rs.79,212/-

40. **Para No.13.2 Page 21 of Audit Report for the year 2001-2002; Irregular Drawal of Pay and Allowances Amounting to Rs.279,520/- Recovery Thereof.**
M.S. DHQ Hospital Sahiwal – Rs.103,445/-
41. **Para No.14 Pages 21, 22 & 23 of Audit Report for the year 2001-2002; Loss of Rs.15,235,732/- Due to Non-Deduction/Non-Deposit of General Sales Tax.**
(14.6) DHQ Hospital Mianwali – Rs.103,317/-
(14.12) DHQ Hospital Sahiwal – Rs.206,166/-
(14.14) D.H.Q Rawalpindi – Rs.30,000/-
(14.21) DHQ Hospital Jhang – Rs.125,371/-
(14.24) Dental College Lahore – Rs.250,441/-
42. **Para No.15 Pages 24 & 25 of Audit Report for the year 2001-2002; Non Deposit of Government Dues Amounting to Rs.4,915,363/- in Government Treasury.**
(15.13) DHQ Hospital Pakpattan – Rs.49,750/-
(15.25) DHQ Hospital Kasur – Rs.36,650/-
43. **Para No.23 Pages 31 & 32 of Audit Report for the year 2001-2002; Non-Collection Etc. of Utility Charges Rs.8,549,642/-**
(23.11) DHQ Hospital Sheikhpura – Rs.117,600/-.
(23.15) Holy Family Hospital, Rawalpindi – Rs.32,810/-.
44. **Para No.24 Pages 32 & 33 of Audit Report for the year 2001-2002; Non-Deposit/Deduction of House Rent Allowance Amounting to Rs.34,238,375/- Recovery Thereof**
(24.2) DHQ Hospital Khanewal – Rs.13,266/-
(24.7) DHQ Hospital Sheikhpura – Rs.33,048/-
(24.8) DHQ Hospital Sahiwal – Rs.252,579/-
(24.15) Chief Executive Services Hospital, Lahore – Rs.33,674,507/-
45. **Para No.26 Page 35 of Audit Report for the year 2001-2002; Unjustified Issuance of Cloth Mask and Caps Casting Rs.55,725/-**

46. Para No.37.3 Pages 41 & 42 of Audit Report for the year 2001-2002; Non-Accountal of POL Valuing Rs.414,353/-

MS DHQ Hospital Kasur – Rs.213,921/- + Rs.16,704/-

47. Para No.40 Pages 44 & 45 of Audit Report for the year 2001-2002; Shortage of Stock Articles Valuing Rs.99,602,812/-

(40.2) DHQ Hospital D. G. Khan – Rs.53,280/-

(40.14) Project Director Children Hospital Lahore – Rs.3,300,000/-

(40.15) Project Director Children Hospital Lahore – Rs.94,400/-

(40.16) Project Director Children Hospital Lahore – Rs.140,000/-

(40.21) Rawalpindi Medical College, Rawalpindi – Nil

(40.23) TB Hospital, Sargodha – Rs.2,869,908/-

(40.24) DHQ Hospital, Sargodha – Rs.3,440,383/-

(40.25) M.S. DHQ Hospital Faisalabad – Rs.110,959/-

48. Para No.43 Pages 46 & 47 of Audit Report for the year 2001-2002; Non-Adjustment of Temporary Advance of Rs.100,000/- Recovery Thereof.

49. Para No.46.4 Pages 49 & 50 of Audit Report for the year 2001-2002; Non-Collection of Rent From Contractors Recovery of Rs.9,558,993/-

Rawalpindi General Hospital – Rs.1,600,593/-.

50. Para No.48.2 Pages 50 & 60 of Audit Report for the year 2001-2002; Irregular Drawal of Non-Practicing Allowance Recovery of Rs.1,793,000 Thereof

Dental College Lahore – Rs.38,000/-

51. Para No.87.2 Page 81 of Audit Report for the year 2001-2002; Late Realization Deposit of Government Dues Rs.1,447,492/-.

Chief Executive D.H.Q Hospital Rawalpindi – Rs.844,685/-

52. Para No.95.7 Pages 88 & 89 of Audit Report for the year 2001-2002; Irregular Expenditure to the Tune of Rs.2,023,219/-

Allama Iqbal Memorial Hospital, Sialkot – Rs.193,697/-

53. Para No.96.2 Page 89 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,839,859/- on Account of Pay of Work Charged Establishment
Allied Hospital, Faisalabad – Rs.853,306/-
54. Para No.99.12 Pages 91 & 92 of Audit Report for the year 2001-2002; Non-Surrendering of Saving/Unspent Balances Amounting to Rs.36,219,788/-
DHQ Hospital Kasur – Rs.6,027,255/-
55. Para No.107 Pages 100 & 101 of Audit Report for the year 2001-2002; Purchases at Higher Rates Loss of Rs.1,479,807/-.
(107.4) Holy Family Hospital, Rawalpindi – Rs.32,015/-.
(107.5) Holy Family Hospital, Rawalpindi – Rs.294,145/-.
56. Para No.110.5 Pages 102 & 103 of Audit Report for the year 2001-2002; Un-Necessary Purchases Without Immediate Requirements Rs.3,097,161/-
Division Blood Transfusion Officer, Rawalpindi – Rs.148,000/-.
57. Para No.112.4 Pages 104 & 105 of Audit Report for the year 2001-2002; Irregular Purchases Rs.5,892,678/-
Government Drug Testing Laboratory, Lahore – Rs.298,822/-
58. Para No.122 Pages 111 & 112 of Audit Report for the year 2001-2002; Irregular Drawal of Rs.510,969/- Through ‘Self’ Cheques and Non Production of Record.
59. Para No.130 Page 118 of Audit Report for the year 2001-2002; Non-Production of Record Amounting to Rs.32,644,198/-
(130.1) Dental College Lahore – Rs.1,996,100/-
(130.8) Government Hospital for Psychiatric Diseases Lahore – Rs.169,755/-
60. Para No.132.1 Pages 119 & 120 of Audit Report for the year 2001-2002; Non-Production of Records Relating to Award of Various Contracts.
Quid-e-Azam Medical College, Bahawalpur – Rs.Nil/-

61. Para No.134 Page 121 of Audit Report for the year 2001-2002; Doubtful Purchases Amounting to Rs.139,264/-.

20.04.2006 The Department explained that necessary actions had been taken in respect of audit observations raised in the above paras and departmental contention had been got verified by audit.

Audit recommended all these paras for settlement.

On recommendation of audit, the above **paras were settled.**

62. Para No.4 Pages 11 & 12 of Audit Report for the year 2001-2002; Shortage of Medicines. Recovery of Rs.5,655,146/- Thereof.

(4.12) M.S. DHQ Hospital, Khanewal – Rs.35,553/-

18.12.2006 The Department explained that the para was discussed by the SDAC on 26-27/3/2003 and was reduced to Rs.3,000/- and Rs.1,000/- which were recovered from the defaulter and deposited into the government treasury.

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

(4.14) Chief Executive Services Hospital, Lahore – Rs.60,450/-

20.04.2006 The Department explained that disciplinary proceeding under the rules were initiated and had been completed. It further stated that all recovery had been effected.

The Committee **settled the para** as recovery was verified by the Audit.

(4.15) Chief Executive Services Hospital, Lahore – Rs.3,212,148/-.

20.04.2006 The Department explained that para comprised two parts:-

- 1- As a result of probe conducted into the matter, the actual number of patients was 5,470 instead of 5,370, who used 6571 films.
- 2- An amount of Rs.453,775/- was distributed among the doctors instead of Rs.4,036,895/-.

Audit contended that department had not produced relevant record in support of its contention.

The Committee after detailed discussion kept part A of the para pending for needful while for part B agreed with the contention of the Finance that a uniform formula be framed for disposal of all such paras across the Board. The Secretary, Government of the Punjab, Health Department stated that department is doing needful. The Committee **kept the para pending** to comply with previous decision of PAC-I.

63. Para No.5 Page 13 of Audit Report for the year 2001-2002; Overpayment of Rs.175,561/- on Account of Pay and Allowances.

18.12.2006 The Department explained that the service book and deposit of Rs.45,979/- had been got verified by audit.

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

64. Para No.7 Pages 15 & 16 of Audit Report for the year 2001-2002; Non-Deduction of Income Tax: Rs.5,640,563/- And US \$ 16,258/- (Rs.930,770 APP.)

(7.7) DHQ Hospital, Pakpattan – Rs.17,607/-

18.12.2006 The Department explained that income tax from all the firms was deducted @Rs.3.50% and the version of audit about deduction of 5% income tax was not applicable in these cases as the income tax on the purchase of medicines, general store items and repair & maintenance was leviable @Rs.3.5%. Moreover, the entire amount had been recovered leaving a balance of Rs.3,977/-.

The Committee **settled the para subject to** balance recovery.

(7.11) Holy Family Hospital, Rawalpindi – Rs.63,700/-

16.12.2006 The Department explained that the contract was awarded to M/s. Zafar Iqbal at Rs.475,000/-0 for the year 2000-2001. During the contract period PTCL introduced new scheme pay card system and contractor refused to continue through this policy. PTCL disconnected both connections on 24-2-2001 at source. Meeting of Auction Committee was called and it was decided to recover the rent till last date of disconnection i.e. 24.2.2001. The calculated amount during this service period was Rs.308,750/-. His security of Rs.100,000/- was forfeited and the case for the balance recovery had been referred to DCO, Rawalpindi for recovery as arrears of land revenue.

The para was kept pending with the directions that the case with the revenue authority be pursued vigorously.

(7.17) Chief Executive Services Hospital, Lahore – Rs.505,383/-

20.04.2006 The Department explained that audit had worked out the amount of income tax on the basis of total booked expenditure without taking into consideration the exempted suppliers and petty purchases.

However, audit contended that exemption limit of Rs.25,000/- had been abolished vide income office letter dated 09.6.1999.

The Committee directed the department to finalize the matter and recover the outstanding amount by 30.6.2006.

The para was conditionally settled subject to verification by Audit.

- 65. Para No.8.1 Pages 16 & 17 of Audit Report for the year 2001-2002; Irregular Drawal of Mess and Dress Allowance Rs.175,853/-**
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B.V Hospital Bahawalpur – Rs.153,713/-

18.04.2006 The Department explained that the total recovery had been effected.

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

- 66. Para No.9 Page 17 of Audit Report for the year 2001-2002; Loss of Rs.267,498/- Theft of E.C.G. Machines.**
-

(9.1) Sh. Zayed Hospital R. Y. Khan – Rs.102,498/-

18.04.2006 The Department explained that a theft case had been got registered against the responsible. It was also stated that apart from recovery disciplinary action would also be taken.

The Committee **kept the para pending** with the directions that the recovery/disciplinary action be completed within 90 days.

(9.2) Jinnah Hospital Lahore Rs.165,000/-

27.04.2007 The Department explained that the theft was duly investigated by a Committee comprising senior officials of the institution. The committee after thorough investigations had held the following officials responsible for the theft.

1. Ms. Shahida Nizam, Charge Nurse/CCU
2. Mr. Shahbaz Ahmad, Ward Attendant.

The Committee directed that recovery be effected from the responsables according to the book value of the equipment within four weeks.

The para was kept pending.

67. Para No.10 Pages 18 & 19 of Audit Report for the year 2001-2002; Irregular Award of Advance Increments to Charge Nurses Rs.2,301,225/-

(10.2) Sh. Zayed Hospital R. Y. Khan – Rs.38,601/-

18.04.2006 The Department explained that the relevant record had been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(10.5) Aziz Bhatti Shaheed Hospital, Gujrat – Rs.954,747/-

18.12.2006 The Department explained that as per the decision of the Hon'ble Lahore High Court Lahore dated 22.5.2002 and FDs letter dated 5-9-2002, the amount of advance increments drawn by the petitioner was not to be recoverable. However, the pay of the officials had been re-fixed.

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

68. Para No.11.2 Page 19 of Audit Report for the year 2001-2002; Loss Due to Deduction of Hostel Rent Amounting to Rs.1,813,032/-

Chief Executive Services Hospital, Lahore – Rs.170,600/-

20.04.2006 The Department explained that partial recovery had been effected and an amount of Rs.33,100/- only was outstanding against the doctors who belonged to other provinces.

Audit stated that department had not produced any documentary proof in support of its contention.

The Committee **kept the para pending** with the directions that recovery be effected at the earliest and requisite record be got verified by audit.

69. Para No.12.2 Page 20 of Audit Report for the year 2001-2002; Recovery of Rs.301,522/- on Account of Irregular Grant of Advance Increments to Technical Staff.

Punjab Medical College, Faisalabad – Rs.67,582/-

16.12.2006 The Department explained that total recovery had been made and deposited into the government treasury.

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

70. Para No.13.1 Page 21 of Audit Report for the year 2001-2002; Irregular Drawal of Pay and Allowances Amounting to Rs.279,520/- Recovery Thereof.

Punjab Medical College, Faisalabad – Rs.95,343/-

16.12.2006 The Department explained that Mr. Tariq Mehmood, Stenographer was transferred from Health Department and he joined the Punjab Medical College on 13-10-2000. His service gap period from 1-9-2000 to 12-10-2001 was also adjusted by the Health Department vide letter dated 30-8-2001. On receipt of complete history from DG Nursing Punjab, PMC relieved the official and his service was placed at the disposal of Secretary Health for further necessary action. It was also stated that the case of the official was under process by the Health Department.

The Committee kept the para pending with the directions that the recovery be made from the concerned official.

71. Para No.14 Pages 21, 22 & 23 of Audit Report for the year 2001-2002; Loss of Rs.15,235,732/- Due to Non-Deduction/Non-Deposit of General Sales Tax

(14.5) DHQ Hospital, Bhakkar – Rs.1,024,809/-

18.12.2006 The Department explained that the record was produced to audit which had verified the same and recommended the para for settlement.

On the recommendation of audit, the para was settled.

(14.7) Jinnah Hospital, Lahore Rs.103,830/-

27.04.2007 The Department explained that as per practice, every major purchase was made only from those firms who were registered with the Sales Tax Department and sales tax was not deducted from the bills but instead, paid to the firms/contractor against production of Sales Tax Invoice. Majority of the firms/ agencies reflected in the statement were engaged in the business of supply of medicines/ surgical disposables which were 'zero rated' under the Sales Tax Act against the respective heading.

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

(14.8) B.V. Hospital, Bahawalpur – Rs.269,623/-

16.12.2006 The Department explained that the actual amount of para was Rs.269,593/- instead of Rs.269,063/- out of which Rs.191,363/- pertained to M/s. Fuji Films which was registered for the purposes of sales tax and the sales tax invoices had been got verified by

audit. The Department further explained that the sales tax amounting to Rs. 21,225/- was related to Government Woolen Centre, Jhang which was exempted from the sales tax being government control unit. The rest of the amount was related to the Azad Kashmir which was enjoying sales tax holiday since 4.1.1998 to 3.1.2003. The certificate of exemption was available for verification.

The Committee **settled the para subject to verification** of exemption certificate by audit.

(14.11) DHQ Hospital, Pakpattan – Rs.111,845/-

18.12.2006 The Department explained that Sales Tax had been paid to various firms after getting proper acknowledgments and all the firms involved in the para were registered with the Sales Tax Department which were required to file monthly Sales Tax according to Sales Tax Act 1990. As such the department had fulfilled its obligation.

However, Audit contented that Department should produce Sales Tax Invoices in each case.

The Committee **kept the para pending** with the direction that Audit should seek an advice in the matter from the Central Board of Revenue

(14.13) Allied Hospital, Faisalabad – Rs.496,931/-

16.12.2006 The Department explained that the sales tax invoices had been referred to Collectorate of Sales Tax for verification and the bill was available for verification by audit.

The Committee **settled the para** with the direction that the bills be got verified by Audit

(14.25) Chief Executive Services Hospital, Lahore – Rs.176,202/-

20.04.2006 The Department explained that there was no loss to the government as the matter related to transfer of amount from provincial government to the central government. As such audit contention was not tenable.

The Committee **settled the para** as recommended by Audit.

(14.26) Chief Executive Services Hospital, Lahore – Rs.2,081,424/-

20.04.2006 The Department explained that material was purchased out of donated amount and sales tax was not deducted on the plea that donations were exempted from sales tax. The department further explained the item-wise position of purchased material.

The Committee **settled the para subject to verification** of record by audit as required in the Audit comments contained in working papers.

(14.27) Nishtar Medical College, Multan – Rs.195,500/-

19.04.2006 The Department explained that the para was discussed by the SDAC in its meeting held on 27.3.2003 and was settled.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

72. Para No.15 Pages 24 & 25 of Audit Report for the year 2001-2002; Non Deposit of Government Dues Amounting to Rs,4,915,363/- in Government Treasury

(15.5) DHQ Hospital, Bhakkar – Rs.55,174/-

18.12.2006 The Department explained that out of total recovery an amount of Rs.41,834/- had been recovered and deposited into the government treasury. So far as the remaining recovery Rs.13,110/- was concerned, the official responsible had expired and the amount had been written off by the competent authority.

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

(15.14) DHQ Hospital, Pakpattan – Rs.176,342/-

18.12.2006 The Department explained that an inquiry was under process and the same would be completed within 30 days.

The para was kept pending.

(15.15) Government T.B. Sanitorium Samli Murree – Rs.81,140/-

18.12.2006 The Department admitted irregularity and stated that disciplinary action would be taken against the responsible officers/officials.

The Committee **kept the para pending** with the directions that disciplinary action under Efficiency Discipline & Accountability Act 2006 be taken against the responsible officers/officials.

(15.22) B.V. Hospital, Bahawalpur – Rs.184,000/-

16.12.2006 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 audit.

(15.24) Holy Family Hospital, Rawalpindi – Rs.86,000/-

16.12.2006 The Department explained that the para was discussed in the SDAC meeting held on 13.3.2004 and was reduced to Rs.33,000/- which were recoverable from the than Almoner. It was further stated that as per statement of Almoner all the record for remaining recovery was available. It was also stated that the said Almoner had since been expired and a case of write off had been moved to the Board of Management.

The Committee **settled the para subject to** write-off sanction by the Board of Management.

73. Para No.17.2 Pages 26 & 27 of Audit Report for the year 2001-2002; Irregular Drawal of Conveyance Allowance Amounting to Rs.127,852/-**M.S. Jinnah Hospital, Lahore Rs.68,040/-**

27.04.2007 The Department explained that none of the employee was ever allowed such benefit without production of valid motorcar registration book. Nevertheless, all the registration books had been obtained and got verified by Audit.

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

74. Para No.18.1 Pages 27 & 28 of Audit Report for the year 2001-2002; Recovery of Rs.531,900/- Due to Irregular Payment of Washing Allowance.**B.V Hospital Bahawalpur – Rs.187,380/-**

18.04.2006 The Department assured that the total recovery would be effected within 60 days.

The Committee **settled the para** on the assurance of the Department and directed that appropriate action be taken against the concerned DDOs.

75. Para No.19.1 Pages 28 & 29 of Audit Report for the year 2001-2002; Non-Deduction of Professional Tax. Rs.332,600/-.**B.V Hospital Bahawalpur – Rs.78,200/-****76. Para No.23.7 Pages 31 & 32 of Audit Report for the year 2001-2002; Non-Collection ETC. of Utility Charges: Rs.8,549,642/-****B.V Hospital Bahawalpur – Rs.70,000/-**

18.04.2006 The Department explained that total recovery had been effected and deposited into the relevant head of account.

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

77. **Para No.23.1 Pages 31 & 32 of Audit Report for the year 2001-2002; Non-Collection ETC. of Utility Charges: Rs.8,549,642/-**
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Nishtar Hospital, Multan – Rs.1,658,000/-

19.04.2006 The Department explained that total recovery had been effected and got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

78. **Para No.23.2 Pages 31 & 32 of Audit Report for the year 2001-2002; Non-Collection Etc. of Utility Charges Rs.8,549,642/-**
-

Nishtar Medical College, Multan – Rs.576,378/-

79. **Para No.61 Pages 59 & 60 of Audit Report for the year 2001-2002; Payment of Electricity Charges of Residences From Government Exchequer Due to Non-Installation of Separate Meters- Recovery of Rs.2,338,450/-.**
-

(61.1) Nishtar Hospital, Multan – Million of Rupees

(61.2) Nishtar Medical College, Multan – Rs.112,505/-

19.04.2006 The Department explained that in spite of the repeated requests by the Department, the WAPDA was reluctant to install the separate meters. However, sub-meters were installed at the Senior Doctor Residences after receiving the cost of meters from them. The payment of the electricity meters was received in accordance with the consumption of the electricity units shown by these meters.

The Committee **kept the para pending** with the directions that the rates of the electricity be got regularized/updated by the Finance Department and efforts be made for installation of separate meters at the residences.

80. **Para No.23 Pages 31 & 32 of Audit Report for the year 2001-2002; Non-Collection ETC. Utility Charges: Rs.8,549,642/-**
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(23.4) Aziz Bhatti Shaheed Hospital, Gujrat – Rs.84,300/-

18.12.2006 The Department explained that the whole amount had been recovered from the officers/officials concerned and deposited into the government treasury.

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

(23.5) Jinnah Hospital, Lahore Rs.29,360/-

27.04.2007 The Department explained that the para had been settled in SDAC meeting held on 16-09-2002 and the minutes had been got verified by Audit.

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

(23.12) Allied Hospital, Faisalabad – Rs.1,927,884/-

16.12.2006 The Department explained that as per decision of Lahore High Court Lahore, the department was restrained from charging rates and recovering from the residents the arrears calculated on the basis of commercial rates. Moreover, the collection on domestic rates was higher than the rates fixed by the government. However, after long efforts separate meters had been installed on each residence by WAPDA since August 2000.

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

(23.13) Allied Hospital, Faisalabad – Rs.1,489,925/-

16.12.2006 The Department explained that the recovery from the employee was under process and assured that the balance recovery would be effected till 30-6-2007.

The para was settled subject to balance recovery.

(23.14) Government T.B. Sanitorium Samli, Murree – Rs.271,400/-

18.12.2006 The Department explained that an inquiry was conducted into the matter by the medical officer of TB hospital, Samli and as per findings of the Inquiry Officer actual amount due was Rs.230,484/- out of which an amount of Rs.137,994/- was spent on maintenance and repair. Rs.92,490/- was outstanding from the residents of the hospitals out of which Rs.32,930/- had been recovered leaving a balance of Rs.59,560/-.

The Committee reduced the para to the extent of recovery and **kept the para pending** with the directions that the amount be got regularized by the Finance Department.

81. Para No.24 Pages 32 & 33 of Audit Report for the year 2001-2002; Non-Deposit/Deduction of House Rent Allowance Amounting to Rs.34,238,375/- Recovery Thereof

(24.3) Jinnah Hospital, Lahore Rs.216,000/-

27.04.2007 The Department explained that the Honorable Supreme Court of Pakistan through its judgment dated 4th June 2002 dismissed the petition by allowing relaxation of

6 months to all the petitioners i.e. upto 03.12.2002. Since the petitioners were provided relief by the apex court of the country, charging of penal rent was not advisable. Nevertheless, all the four occupants had vacated the residences before the target date.

The Committee accepted the explanation of the department and **the para was settled.**

(24.10) Punjab Medical College Faisalabad – Rs.446,723/-

16.12.2006 The Department explained that competent authority had regularized the period of occupancy in respect of Mrs. Gulzar Bibi and Mrs. Tanveer Sadiq. In case of Mrs. Farah Deba, she had been directed to deposit recovery. Dr. Abdul Majeed had occupied the residence.

The Committee **settled the para** to the extent of Gulzar Bibi, Tanveer Sadiq and Dr. Abdul Majeed Rajput and directed the department to get the record verified in respect of Dr. Zahida Parveen and the portion relating to Mst. Farah Deba was kept pending.

82. Para No.25.5 Page 34 of Audit Report for the year 2001-2002; Misuse of Government Vehicles Recovery of Rs.829,580/-.

Chief Executive Services Hospital, Lahore – Rs.557,696/-

20.04.2006 The Department explained that purpose of journey was mentioned against each vehicle which was used for official purpose to shift ailing patients.

The Committee directed that consumption certificate of the ambulances should be verified by the concerned doctors/officials.

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

83. Para No.26 Page 35 of Audit Report for the year 2001-2002; Unjustified Issuance of Cloth Mask and Caps Costing Rs.55,725/-

19.04.2006 The Department explained that the masks and caps were consumable items and were not returned by the users.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

84. Para No.27 Pages 35 & 36 of Audit Report for the year 2001-2002; Non-Recovery of Government Dues from Clinix Pharmacy Amounting to Rs.638,064/-

27.04.2007 The Department explained that para comprised of three parts:

A) Rs.50,000/- The contractor was able to make the Pharmacy Shop operational w.e.f 15.06.1999 due to late issuance of requisite Drug sales License. The SDAC had settled the para on 7.2.2001.

The Committee **settled this part.**

B) Rs.414,000/- The department explained that audit had pointed out late remittance of rent for the month of 2/2001 & 6/2001 and had desired to recover/levy surcharge of 20% under Clause # 19 whereas in fact the Clause # 19 by no means had anything to do with the rent and nothing on this account was covered in the Award Letter to levy surcharge on late remittance of rent.

The Committee **kept this part pending** with the directions that facts be got verified by Audit.

C) Rs.174,064/- The department explained that observation was framed hypothetically based on mere assumptions. As per Clause # 13 of the contract, contractor was required to pay electricity, water, sui gas and building rent assessed by the Building Department. The institutional Building Department had accordingly installed sub-meters and billing was made according to the meter readings for which, a proper Register had also been maintained by the S.D.O. incharge of the institution.

The Committee **settled this part subject to verification** of the requisite record by Audit.

85. Para No.28.1 Page 36 of Audit Report for the year 2001-2002; Non-Imposition of Late Delivery Charges Rs.649,482

Jinnah Hospital, Lahore Rs.173,549/-

27.04.2007 The Department explained that as per norms and instructions, a standard Delivery Period of 15 days was generally allowed in most of the cases while in some exceptions, delivery period of even one month was allowed. On the contrary, the audit while calculating the LD Charges, had reckoned the date of Purchase Order as the basis, which was incorrect. In this way there was a difference of Rs.104,547/-. The net LD. Charges came to Rs.61,607/- as against Rs.166,154/- (and not Rs.173,549/-)

So far as non-imposition of these charges was concerned, it was stated that same couldn't be imposed due to just oversight since it was new concept for those dealing with the subject. Unfortunately, most of the firms had either left the business or no more in business with Jinnah Hospital.

The Committee directed the department to get the reduction of amount verified by Audit and finalize the matter within thirty days under intimation to the PAC and **para was kept pending.**

86. Para No.30 Pages 37 & 38 of Audit Report for the year 2001-2002; Recovery of Rs.74,800/- on Account of Excess Payment to Law Officer

27.04.2007 The Department explained that the matter was discussed by the Institutional Management Committee wherein, it was decided to utilize services of Mr. Farid Chaudhry, an established lawyer full time. However, he was initially offered Rs.400/- per day for appearance in different courts on behalf of the Principal/Chief Executive of the institution. During the entire period, performance of Mr. Farid Chaudhry remained more than satisfactory as he won all the cases for the institution. The recovery pointed out by audit was not based on facts as no double payment had ever been made to the Law Officer and his every claim / voucher was subjected to detailed pre-audit before liquidation.

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

87. Para No.32 Pages 38 & 39 of Audit Report for the year 2001-2002; Unjustified Reinstatement of Employee After Invalid Retirement Recovery of Rs.52,775/- Thereof.

18.12.2006 The Department explained that the record pertained to recovery of Rs.16,293/- was available and the recovery @Rs.1,000/- through pay was regularly made from monthly pay of the concerned LHV, during the period February 2001 to June 2002.

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

88. Para No.33 Pages 39 of Audit Report for the year 2001-2002; Less Deposit of Dues from People's Pharmacy to the Tune of Rs.485,050/-

27.04.2007 The Department explained that, the average sale per day viz Rs.12,000/- for 1999-2000 and Rs.13,000/- per day with annual of Rs.4,380,000/- and Rs.4,745,000/- and then calculating withholding tax on overall sales was far beyond imagination as well as against the prescribed procedures. The management of Jinnah Hospital under the directives from the government had allowed to establish People's Pharmacy. By no means, it was prerogative for the management to monitor the sales and recover the withholding tax. This was the sole responsibility of the Income Tax Department and not the Medical Superintendent, Jinnah Hospital, Lahore.

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

89. Para No.34.3 Page 39 & 40 of Audit Report for the year 2001-2002; Non-Receipt of Medical Journal Valuing Rs.416,696/- and Recovery Therefore

Allied Hospital, Faisalabad – Rs.224,110/-

90. **Para No.39.2 Page 43 of Audit Report for the year 2001-2002; Non-Deposit of Government Share Amounting to Rs.7,527,814/- on Account of Miscellaneous Receipts**

Allied Hospital, Faisalabad – Rs.391,279/-

16.12.2006 The Department explained that Government share had been deposited into Government Treasury which could be verified from the record.

The Committee accepted the departmental reply and **the paras were settled.**

91. **Para No.37.1 Pages 41 & 42 of Audit Report for the year 2001-2002; Non-Accountal of POL Valuing Rs.414,353/-**

M.S. DHQ Hospital, Muzaffargarh – Rs.118,209/-

18.12.2006 The Department explained that the record was produced to audit which had been verified by Audit.

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

92. **Para No.38 Page 42 of Audit Report for the year 2001-2002; Recovery of Rs.157,975/- on Account of Irregular Payment of Demurrage Charges of C. T. Scan Machine.**

19.04.2006 The Department explained that the government suffered demurrage charges due to delay for exemption certificate.

The Committee was not satisfied with the explanation of the department and desired that an inquiry be initiated to probe the matter whether the delay was deliberate or otherwise, and to fix responsibility thereafter and take necessary action under the laws/rules.

The para was kept pending.

93. **Para No.39 Page 43 of Audit Report for the year 2001-2002; Non-Deposit of Government Share Amounting to Rs.7,527,814/- on Account of Miscellaneous Receipts**

(39.1) Rawalpindi General Hospital – Rs.109,845/-

16.12.2006 The Department explained that the relevant letters of the Health Department silent for the appointment of medico-legal fee. However, the fees charged for examination of medico-legal cases (non-cognizable) was not to be apportioned and the fees were to be retained by the certifying doctor in to.

The Committee **kept the para pending** for advice of Finance Department.

(39.6) Chief Executive Services Hospital, Lahore – Rs.972,236/-

20.04.2006 The Department explained that 70% share was paid to the doctors/staff and 30% was deposited into government accounts, out of the misc. receipts upto 30.11.2000. Later on it was decided that 75% of the income of pathology and radiology should be deposited into government treasury and 25% of the income should be distributed among the doctors/staff. However, share of income earned from 1.12.2000 to 30.6.2002, amounting to Rs.3,550,659/- was not paid. As such no over payment was involved.

Audit contended that loss of Rs.972,236/- sustained by the government was still recoverable. Finance Department also contended that matter required rectification. However, the matter was subjudice in the court.

The para was kept pending till decision of the court.

(39.7) Chief Executive Services Hospital, Lahore – Rs.3,041,050/-

20.04.2006 The Department explained that the para was similar in nature as draft para No. 39.6.

The para was accordingly kept pending till decision of para No.39.6.

94. Para No.40 Pages 44 & 45 of Audit Report for the year 2001-2002; Shortage of Stock Articles Valuing Rs.99,602,812/-

(40.1) Jinnah Hospital, Lahore Rs.40,810/-

27.04.2007 The Department explained that all the items except E.C.G. Machine were physically present in the stock which could be verified. So far as E.C.G. Machine (valuing Rs.30,000/- was concerned, the same stood missing since 02.03.1998 as reported by the then Dispenser who had since been transferred elsewhere. The equipment in question was purchased in 1992 and its depreciated cost in 1998 would have been much lesser. The theft being untraceable, the loss would be got written off from the Institutional Board of Management.

The Committee was not satisfied with the explanation of the department and directed that responsibility be fixed for the loss and recovery be effected from the responsables within ninety days and **para was kept pending**.

(40.4) DHQ Hospital, Rajanpur Rs.4,489,545/-

28.04.2007 The Department explained that the amount of Rs.263,800/- was related to the salaries of the Gazetted Officers, whose amount was not being entered on the receipt /payment side of the case book being self DDO. Moreover the cheques worth Rs.42,25,745/- were related to suppliers/contractors and these were not handed over to the concerned suppliers /contractors for want of inspection/satisfaction of store articles by the purchase committee. The disbursement record was available for verification.

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

(40.5) DHQ Hospital, Rajanpur Rs.2,867,745/-

28.04.2007 The Department explained that the stationary, medicine, general store and printing articles of stores as pointed out by audit were short from stock at the time of physical verification of stores as the same were received later on from supplier. The stock entries were recorded on the relevant stock registered and were available for verification.

The committee **settled the para subject to verification** by audit.

(40.12) M.S. Rawalpindi General Hospital, Rawalpindi – Rs.104,374/-

16.12.2006 The Department explained that the relevant stock registers, contractor's bill etc. were available for verification.

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

(40.18) Chief Executive Jinnah Hospital, Lahore Rs.73,020/- and Rs.414,432/-

27.04.2007 The Department explained that all the record and stock was available which could be verified by Audit.

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

(40.27) Nishtar Medical College, Multan – Rs.166,616/-

19.04.2006 The Department explained that the matter was being inquired and the inquiry would be completed at the earliest.

The Committee **kept the para pending** with the directions that the inquiry be completed at the earliest.

(40.29 Nishtar Hospital, Multan – Rs.Nil -

19.04.2006 The Department explained that master stock register of equipments, durable goods/machinery was prepared and utmost care was made to record all the stores purchased/supplied while preparing master stock register to avoid any loss. The master stock register was available for verification.

The para was kept pending for verification till 20.4.2006.

On 20.4.2006, the department stated that verification of requisite record was still pending.

The para was kept pending.

(40.30) Nishtar Hospital, Multan – Rs.138,993/-

19.04.2006 The Department explained that the stock was checked in the absence of electrician, whereas the articles mentioned in the para were lying in store room and were not account for. The requisite record was available for verification.

The para was kept pending for verification till 20.4.2006.

On 20.4.2006, the department explained that a person was deputed to get the record from Multan, who had not yet arrived.

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

(40.31) Nishtar Hospital, Multan – Rs.364,076/-

19.04.2006 The Department explained that inquiry was under process in the matter and that would be completed within two weeks.

The para was kept pending.

(40.32) Services Hospital, Lahore – Rs.380,000/-

20.04.2006 The Department explained that account of 19 air conditioners was shown to audit but they demanded physical verification of all air conditioners installed in the hospital which was carried out by AMS and B&A officers. However, audit stated that the report of physical verification was not prepared with reference to the stock position.

The committee was not satisfied with the explanation of the department and directed that a committee comprising a representative each from Audit and Finance Department should probe into the matter and submit its report to the PAC within 90 days.

The para was kept pending.

95. Para No.44 Pages 47 & 48 of Audit Report for the year 2001-2002; Non-Deduction of 5% Pay on Account of House Maintenance and Repair Recovery of Rs.2,263,120/-

(44.1) DHQ Hospital, Sargodha – Rs.50,574/-

18.12.2006 The Department explained that total recovery had been effected from the concerned officers/officials and got verified by audit.

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

(44.3) B.V. Hospital, Bahawalpur – Rs.767,125/-

16.12.2006 The Department explained that as per rule 5.28 CSR Vol-I all medical Officers, Dispensers, Nursing Staff and government servants holding posts in national pay scale 1 to 3 were entitled to rent free accommodation.

Audit was of the view that the contention of the department was not tenable in the light of Appendix-6 of CSR.

The Committee **kept the para pending** for clarification by the Finance Department.

96. Para No.45 Pages 48 & 49 of Audit Report for the year 2001-2002; Less Accountal of Medicines and Other Stores-Recovery of Rs.631,282/- Thereof.

(45.1) Holy Family Hospital, Rawalpindi – Rs.48,586/-

16.12.2006 The Department explained that matter was probed by the MS and as per the finding the actual recovery was Rs.2,225/- which was recovered and deposited into the government treasury. The remaining amount of Rs.46,000/- was not due because the entries of store had been checked and found correct.

The Committee was not satisfied with the inquiry report and desired that the inquiry be conducted by the Deputy Secretary (Budget), Health Department and **para was kept pending.**

(45.4) DHQ Hospital Bhakkar – Rs.166,707/-

18.12.2006 The Department explained that the items were utilized properly as per requirement of the hospital and all the entries were recorded in the expense register. So for as issuance of excess quantity of store was concerned, it was due to insufficient capacity of storage of general store items in the main store.

The Committee accepted the explanation of the department and **the para was settled.**

(45.5) Nishtar Hospital, Multan – Rs.45,937/-

19.04.2006 The Department explained that the para consisted of two parts:-

- i- Out of store articles fridge and stabilizer were purchased for CCU ward No. 1 and as per entries in the expense/stock register, these were issued to the same unit. The stock register entries had been got verified by Audit.

Audit verified the contention of the department and recommended this part for settlement.

This part was settled.

- ii- The Department explained that an inquiry had been initiated regarding the amount related to expenditure incurred on the purchase of surf, phenyl etc. which would be completed within two weeks.

This part was kept pending.

(45.6) DHQ Hospital, Pakpattan – Rs.65,050/-

18.12.2006 The Department explained that the expense book of the store and indent in respect of wards washer man was available for verification.

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

97. Para No.46 Pages 49 & 50 of Audit Report for the year 2001-2002; Non-Collection of Rent From Contractors Recovery of Rs.9,558,993/- thereof

(46.1) DHQ Hospital, Sargodha – Rs.75,500/-

18.12.2006 The Department explained that the EDO (R), Sargodha had been approached for outstanding recovery from the concerned contractor as arrears of land revenue and the best efforts were being made to recover the outstanding amount at the earliest.

The para was kept pending

(46.2) Jinnah Hospital, Lahore Rs.216,000/-

27.04.2007 The Department explained that in the two hostels, only messing arrangements were made by the resident Doctors and Nurses at their own cost through a Mess Committee run by institutional employees on “HAZRI” system basis.

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

(46.3) Holy Family Hospital, Rawalpindi – Rs.824,000/-

16.12.2006 The Department explained that the para consisted of two parts:-

i. PCO contract for Rs.375,000/-

The Department explained that the para was discussed by the SDAC in its meeting held on 13.5.2003 and was settled after verification of record.

On the recommendation of audit, **this part was settled.**

ii. Car parking/cycle stand for Rs. 449,000/-

The Department explained that the case had been referred to the DCO and the Tehsildar for recovery. The DO(R) intimated that the recovery of Rs. 498,729/- against Mr. Shahid Mehmood Khan, Contractor of car parking/cycle stand had been declared as arrears of land revenue on 14-11-2001. Summon was issued by the Tehsildar, on 27-1-2006 and 28-8-2006. The Department was pursuing the recovery vigorously.

This part was kept pending.

(46.5) Allied Hospital, Faisalabad – Rs.545,123/-

16.12.2006 The Department explained that the contract of pharmacy was completely different from other contracts/auction. After award of pharmacy contract, the successful bidder applied to District Officer (Health), Faisalabad for drug sale license who inspected the site/premises and issued drug sale license against specific site/premises which was only valid for that site/premises not any other. After the drug sale license the possession of shop was handed over and dues as per agreement had been received.

The Committee **settled the para subject to verification** of departmental contention by the Board of Management.

(46.6) Punjab Medical College, Faisalabad – Rs.264,600/-

16.12.2006 The Department explained that the matter was under trial with the court of law and the next date of hearing was fixed for 03-1-2007.

The para was kept pending.

(46.7) Nishtar Hospital, Multan – Rs.5,077,594/-

19.04.2006 The Department explained that Rs.19,769,682/- had been recovered and got verified by Audit. For the balance amount of Rs.4,089,769/-, the firm had gone in the Civil Court.

The Committee **kept the para pending** being subjudice in the Court of Law.

(46.8) Nishtar Hospital, Multan – Rs.412,500/-

19.04.2006 The Department explained that Rs.360,000/- had been recovered and efforts were being made for the balance recovery.

The Committee **kept the para pending** with the directions that the recovered amount be got verified by Audit and the balance recovery be effected within 90 days.

98. Para No.47 Page 50 of Audit Report for the year 2001-2002; Less Recovery of Security Deposit from Un-Registered Firms Amounting to Rs.289,880/-

27.04.2007 The Department explained that all the firms involved in the para were engaged in supply of Medicines/ X-Ray Films/ Chemicals /Surgical Disposables on annual rate contract basis for which, no amount could be ascertained and Para-9 (a) of PR-20 of the Purchase Manual authorized the purchaser to specify the amount of security deposit and under the given circumstances, security of Rs.50,000/- (and not 5%) was rightfully fixed /obtained. This para was also discussed in S.D.A.C meeting held on 16.09.2002 and was settled subject to Bank Reconciliation.

The Committee directed that department should ascertain that there was no loss to the Government and the contract was completed with the satisfaction of end users. Subject to verification of record relating to above directions, **the para was settled.**

99. Para No.48.3 Pages 50 & 51 of Audit Report for the year 2001-2002; Irregular Drawal of Non-Practicing Allowance Recovery of Rs.1,793,000/- Thereof

Jinnah Hospital, Lahore Rs.774,000/-

27.04.2007 The Department explained that the requisite certificates regarding non practicing of all the doctors pointed out by audit had been obtained which could be verified by Audit.

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

100. Para No.51 Page 53 of Audit Report for the year 2001-2002; Non-Recovery of Government Dues Amounting to Rs.72,756,779

28.04.2007 The Department explained that out of total 83512 tests performed during the period 491482 tests (58.80%) were performed free while the remaining tests were paid out of these 226066 (46%) tests were performed for emergency department which was required to be done free. On the basis of data 437969 tests were performed for indoor patients. If Emergency Tests (226066) were combined with indoor patient's tests (437969), the tally comes out to 664035. These statistics understandably suggest that even 172553 tests of indoor patients were accordingly charged/paid. It may also be kept in view that with the present cost of living; generally patients from lower middle/lower class of the society would tend to visit government hospital with sheer hope of relief without any charges. It was also stated that 265416 free tests (excluding emergency tests viz 226066, which were otherwise free by all means) were authorized by the officers/officials authorized to do so by the management.

The Committee **kept the para pending** with the directions that the record of OPD and indoor tests be got verified by audit.

101. Para No.54 Page 55 of Audit Report for the year 2001-2002; Doubtful Refund of Rs.583,250/- to Patients-Recovery Thereof.

20.04.2006 The Department explained that record had been produced to audit but audit required the acknowledgements duly verified by the Medical Superintendent.

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

102. Para No.56 Page 56 of Audit Report for the year 2001-2002; Irregular Allotments of Residences to Lower Cadre Employees- Recovery of Rs.508,130/- Thereof

20.04.2006 The Department explained that the case for allotment of quarter was subjudice in the Lahore High Court Lahore.

Being subjudice, the para was kept pending.

103. Para No.57 Page 57 of Audit Report for the year 2001-2002; Irregular Drawal of House Rent and Conveyance Allowance- Recovery of Rs.1,637,302/-

(57.2) Services Hospital, Lahore – Rs.71,256/-

20.04.2006 The Department explained that house rent was admissible to the officials and the requisite declaration had been got verified by Audit.

On recommendation of audit, the para was settled.

(57.3) Services Hospital, Lahore – Rs.1,024,135/-

20.04.2006 The Department explained that Mr. Abdul Wadood was appointed as Tubewell operator @ Rs.2600/- per month on work charge basis. He was residing in the store and the recovery of rent @Rs.3,000/- per month was unjustified. Therefore, the recovery of Rs.144,000/- was not due. In case of Mr. Qaiser Sanaullah, he was required to stay in the hospital to look after M&R works. He was therefore provided accommodation within premises of the hospital and paying the rent of Rs.250/- per month. The calculation of rent at Rs.6,000/- per month was therefore unjustified.

The Committee accepted the departmental reply and settled the para to the extent of aforesaid two officials while the remaining part of the para was kept pending.

104. Para No.58 Pages 57 & 58 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.397,290/- on Purchases During Ban.

19.04.2006 The Department explained that the ban imposed on the purchase of durable goods did not apply on Health Department under Grant 16-Health Services.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 105. Para No.61.3 Pages 59 & 60 of Audit Report for the year 2001-2002; Payment of Electricity Charges of Residences From Government Exchequer Due to Non-Installation of Separate Meters- Recovery of Rs.2,338,450/-.**
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Nishtar Hospital, Multan – Rs.2,225,945/-

19.04.2006 The Department explained that out of total recovery a sum of Rs.432,000/- on account of room cooler charges was not due as the same was omitted by the government, while out of remaining amount a sum of Rs.789,040/- and Rs.40,000/- had been recovered. The case for recovery of Rs.826,000/- was pending in a Court of Law.

The Committee **kept the para pending** with the directions that exemption of room cooler charges and recovery be got verified by Audit and the case in the Court of Law be pursued.

- 106. Para No.62 Pages 60 & 61 of Audit Report for the year 2001-2002; Loss Due to Non-Installation of Machinery.**
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16.12.2006 The Department explained that the Works Department was requested to hand over the hospital but the building was handing over in piece meal and the installation of equipment was carried out after taking over the building by the various departments of the hospitals.

The para was kept pending with the directions that the contention of the Department be got certified by C&W Department.

- 107. Para No.64 Page 62 of Audit Report for the year 2001-2002; Doubtful Repair of Machinery and Medical Equipments of the Hospital to the Extent of Rs.18,269,938/-**
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19.04.2006 The Department explained that total expenditure of Rs.7,856,734/- was incurred for repair of Machinery & Equipment during the financial year 1998-99 to 1999-2000. Out of this expenditure the history sheets of about more than 67 lacs had been prepared/available for verification and the history sheets for the balance amount would be prepared within four weeks.

The para was kept pending.

108. Para No.67 Page 64 of Audit Report for the year 2001-2002; Loss of Rs.496,180/- Due to Expiry of Medicines and Other Material.

19.04.2006 The Department explained that the matter for replacement of VICRYL-I Polysorb had been taken up with the M/s. Fazal Din & Sons and the replacement would be done before 15.6.2006. It was further stated that the matter regarding expired medicines was being inquired by a Special Committee constituted by the Board of Management.

The para was kept pending.

109. Para No.68 Pages 64 & 65 of Audit Report for the year 2001-2002; Un-Authorized Opening of Bank Account and Placing Rs.15,675,402/- in the Account Un-Authorizedly

19.04.2006 The Department explained that the difference between cash book and bank account was due to the reason that cash book was incomplete when it was checked.

The Committee was not satisfied with the explanation of the department and desired that the matter be enquired into within 90 days.

The para was kept pending.

110. Para No.72 Pages 67 & 68 of Audit Report for the year 2001-2002; Irregular and Unlawful Installation of Boarding/Sign-Boards Recovery of Rs.11,050,000/-

20.04.2006 The Department explained that two agreements for installation of advertisement hoarding boards were executed by the Ex-Chief Executive of the hospital. However, both the parties went to court and no boards could be erected. Meanwhile the Finance Committee of hospital decided not to allow erection of any boards and therefore no boards had been installed since then.

The Committee **settled the para** with the direction that administrative Secretary may decide the matter himself keeping in view the audit observation.

111. Para No.73 Pages 68 & 69 of Audit Report for the year 2001-2002; Non-Production/Maintenance of Record in Support of Issue of Machinery and Equipments to the Tune of Rs.360,381/-

(73.3) Government T.B. Sanitorium Samli Murree – NIL

18.12.2006 The Department explained that the equipments had been received back which had been checked and verified by the AMS of the hospital. However, audit contended that the equipments had been received back un-repaired.

The Department assured that the concerned firm had agreed to repair the equipments.

The Committee **settled the para subject to** repair of the equipments by the concerned firm.

(73.4) Services Hospital, Lahore – Rs.207,187/-

20.04.2006 The Department explained that stock registers containing accountal of material had been produced to audit.

Audit stated that requisite acknowledgement, dead stock register etc. were still to be verified.

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

112. Para No.76 Page 71 of Audit Report for the year 2001-2002; Incurrence of Expenditure of Rs.368,097/- Without Sanction of Competent Authority.

18.12.2006 The Department explained that the WAPDA had already installed separate electric meters in staff residences of the hospital colony and the record had been got verified by audit.

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

113. Para No.77 Page 72 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1,500,000/- on Account of Residential Suigas Bill.

16.12.2006 The Department explained that the proof of the individual meters and the rates charged from the colony residents had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

114. Para No.79 Pages 73 & 74 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.355,785/- Due to Regularization of Service.

16.12.2006 The Department explained that the appointment of electrician against leave vacancy was extended from 13-12-1980 after seven months of the expiry of first order and subsequently permanent orders were issued on 13-3-1983.

However, audit contended that the appointment of the official against the leave vacancy could not be regularized unless the official appointed so had fulfilled all the codal formalities.

The Committee **kept the para pending** for regularization of service by the competent authority.

115. Para No.80 Page 74 of Audit Report for the year 2001-2002; Un-Authorized Share Distribution of Various Lab Receipts Recovery of Rs.120,120/-

18.12.2006 Audit stated that various charges being realized from the patients on accounts of various tests were apportioned according to the following percentages:-

Government Share	45%
Doctors Share	35%
Paramedic Share	20%

The entire realization and subsequent apportionment had no coverage of any Government orders. The Committee observed that the aforesaid practices in the DHQ Hospital T.T. Singh had resulted in a great deal of trouble for the poor and needy patients.

After due consideration of the matter, the Committee directed that disciplinary action be taken against the concerned Medical Superintendent and Radiologist and the department should move the case for regularization from Finance Department.

The para was kept pending.

116. Para No.81 Pages 75 & 76 of Audit Report for the year 2001-2002; Irregular and Uneconomical Expenditure of Rs.978,952/-

(81.4) MS, DHQ Hospital, Rajanpur Rs.86,156/-

28.04.2007 The Department explained that the Director Health Services, D.G.Khan being an Officer Category-I was competent to accord sanction of printing material upto Rs.5000/- in each case. The sanction accorded by DHS to tune of Rs.4600/- and Rs.4549/- and Rs.4140/- was available on record.

Whereas sum of Rs.72668/- was incurred on purchase of stationary articles and the MS, DHQ Hospital being officer in Category-II was competent to sanction expenditure upto Rs.150,000/- as provided under Finance Department circular letter dated 19.11.1986.

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

(81.7) M.S. DHQ Hospital, Muzaffargarh – Rs.117,767/-

18.12.2006 The Department explained that all the expenditure was incurred on different dates and occasions after fulfilling all the codal formalities.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

117. Para No.84.2 Pages 77 & 78 of Audit Report for the year 2001-2002; Irregular Expenditure on Purchase of Bedding and Clothing Worth Rs.2,151,856/-**M.S. DHQ Hospital, Muzaffargarh – Rs.197,857/-**

18.12.2006 The Department explained that tender was placed through advertisement in the press and the comparative statement was prepared on the basis of lowest rates offered by the supplier and the Medical Superintendent being officer of category-II was competent to sanction expenditure upto Rs.150,000/-.

The Committee **settled the para subject to verification** of advertisement by audit.

118. Para No.86 Pages 80 & 81 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.6,558,656/- on Repair and Maintenance of Hospital.**(86.1) ABS Hospital, Gujrat – Rs.3,000,000/-**

18.12.2006 The Department explained that as per certificate issued by Building Department a sum of Rs.3,000,000/- were deposited through book transfer vide challan No. 43 dated 31-3-2001. It was also stated that the work was allotted to the contractor by Building Department after fulfilling all the codal formalities.

The Committee **settled the para subject to verification** of completion certificate/PC-4 by audit.

(86.2) Nishtar Medical College, Multan – Rs.1,241,650/-

19.04.2006 The Department explained that the verification certificate issued by the XEN Buildings had been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(86.4) Chief Executive Services Hospital, Lahore – Rs.521,983/-

20.04.2006 The Department explained that out of Rs.521,983/- the work of Rs.75,109/- pertained to the civil works and TS of the same had been produced to audit. In case of remaining amount of Rs.446,874/- comprising nine cases related to supply of material for which technical sanction was not required.

The para was conditionally settled subject to verification of requisite record in support of departmental contention by audit.

(86.5) Chief Executive Services Hospital, Lahore – Rs.373,339/-

20.04.2006 The Department explained that as a result of verification of record vouchers of Rs.31,030/- only were to be produced to audit.

Audit contented that record pertaining to TS, inspection report and survey report voucher were still to be verified.

The para was conditionally settled subject to verification of requisite record and vouchers by audit.

(86.6) Nishtar Medical College, Multan – Rs.873,520/-

19.04.2006 The Department explained that the estimates were technically sanctioned by the competent authority and the payments were made after fulfilling all the codal formalities.

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

119. Para No.87.1 Page 81 of Audit Report for the year 2001-2002; Late Realization Deposit of Government Dues Rs.1,447,492/-**DHQ Hospital, Bhakkar Rs.170,929/-**

28.04.2007 The Department explained that the amount was utilized temporarily for the purchase of POL to run the ambulance on road in the best interest of the patients.

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

120. Para No.88.2 Page 82 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.381,371/- on Purchase of Stationery – Regularization Thereof.**DHQ Hospital, Muzaffargarh – Rs.259,310/-**

18.12.2006 The Department explained that the stationery was purchased on the basis of requisition/demand and the sanction of all the expenditure was obtained from DHS, Dera Ghazi Khan, who was competent being category-I officer.

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

121. Para No.89 Page 83 of Audit Report for the year 2001-2002; Irregular Payment of Medical Re-Imbursement Charges of Rs.118,349/-.

19.04.2006 The Department explained that as per directions of the SDAC, the non-payment certificate had been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

122. Para No.90 Pages 84 & 85 of Audit Report for the year 2001-2002; Unjustified/ Irregular Payment on Account of Mobile Stand Lights Worth Rs.381,300/-

19.04.2006 The Department explained that inquiry had been initiated into the matter and that would be completed within 90 days.

The para was kept pending.

123. Para No.92 Pages 85 & 86 of Audit Report for the year 2001-2002; Irregular Cash Payments Worth Rs.1,756,525/-.

19.04.2006 The Department explained that the case for regularization had been moved to Finance Department.

The Committee **kept the para pending** with the directions that the matter be got regularized within 90 days.

124. Para No.93 Pages 86 & 87 of Audit Report for the year 2001-2002; Irregular Purchases to the Tune of Rs.560,483/-.

(93.1) Nishtar Medical College, Multan – Rs.170,465/-

19.04.2006 The Department explained that the case for regularizations of the expenditure had been submitted to the Finance Department.

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

(93.2) Nishtar Medical College, Multan – Rs.253,689/-

19.04.2006 The Department explained that as per directions of the SDAC meeting held on 26-27/3/2003, the forfeiture of security of contractor had been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(93.3) Chief Executive Services Hospital, Lahore – Rs.105,000/-

20.04.2006 The Department explained that the pump was a proprietary item purchased from M/s. PECO limited which was a government organization. As such no quotation was required.

Audit stated that department should produce the record, pertaining to the rates of the pump fixed by the government, for verification.

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

(93.4) Chief Executive Services Hospital, Lahore – Rs.31,329/-

20.04.2006 The Department explained that sanitary material was purchased from M/s. Chemical and was duly accounted for in the relevant register and sales tax was also paid to the supplier.

Audit contended that record produced by the department was not relevant to the para.

This para was conditionally settled subject to verification of record by audit.

125. Para No.94 Pages 87 & 88 of Audit Report for the year 2001-2002; Irregular Expenditure to the Tune of Rs.1,740,515/- Due to Misclassification

(94.2) DHQ Hospital, Bhakkar Rs.1,463,215/-

28.04.2007 The Department explained that ECG cable was an emergent requirement to keep the machine in functioning as the funds were not available under head 420- repair of machinery. So ECG cable was purchased under head 599-others in the best interest of patients. The re-appropriation was made by the competent authority

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

(94.3) DHQ Hospital, Rajanpur Rs.43,260/-

28.04.2007 The Department explained that the expenditure on account of repair of furniture was incurred from budget allocated under code 599-others to meet the requirement of the office because the budget under relevant heads was not available.

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

126. Para No.95 Pages 88 & 89 of Audit Report for the year 2001-2002; Irregular Expenditure to the Tune of Rs.2,023,219/-

(95.1) DHQ Hospital, Sargodha – Rs.93,152/-

18.12.2006 The Department explained that the repair of the furniture was got done from time to time on different occasions during the month of May & June 2001. The sanction to incur the expenditure was obtained from the DHS, Sargodha being an officer of category-I.

Audit contended that the repair was carried out on 07.6.2001 only with a gap of two to seven days which was clear cut splitting of expenditure.

The Committee **kept the para pending** with the direction that action against concerned DDOs be taken and the amount be got regularized by Finance Department.

(95.3) DHQ Hospital, Sargodha – Rs.1,075,236/-

18.12.2006 The Department explained that the DHS, Sargodha being an officer of category-I was competent to sanction expenditure on account of purchase of store articles of the amount stated in sanction order. Moreover the tenders were called and comparative statement was also got approved by the DHS, Sargodha.

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

(95.8) DHQ Hospital, Bhakkar Rs.54,250/-

28.04.2007 The Department explained that the observation of the audit had been properly addressed and the record had been got verified by audit.

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

127. Para No.96.1 Page 89 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,839,859 on Account of Pay of Work Charged Establishment

Punjab Medical College, Faisalabad – Rs.986,553/-

16.12.2006 The Department explained that prior to the status of autonomy granted to this institution, yearly funds to the tune of Rs.6,000,000/- were placed at the disposal of C&W Department for maintenance and repair works in respect of residential buildings of all the three components viz Punjab Medical College, Allied Hospital, & DHQ Hospital Faisalabad. After the status “Autonomy” lump sum amount of budget inclusive of M&R started to release under PLA opened in the name of Chief Executive Officer renamed as Principal/Head of Institution, PMC/Allied & DHQ Hospital Faisalabad by the

Government of the Punjab. Accordingly the C&W Department handed over the M&R works along-with engaged work charged labour to this institution and the institution started execution of M&R works with its own setup. Moreover, the para of the same nature on account of Allied Hospital had been settled.

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

128. Para No.97 Page 90 of Audit Report for the year 2001-2002; Irregular and Un-Authorized Payment of Pay and Allowances Rs.6,629,619/-.

(97.1) M.S. Jinnah Hospital, Lahore Rs.840,000/-

28.04.2007 The Department explained that Institutional Management Committee had created temporary posts of Chief Security Officer and Director Health Care Marketing whereas the post of Director Finance was already sanctioned by the Government. As such all three incumbents were appointed on these posts on contract basis with salary and emoluments approved by the Institutional Management Committee which did not require the concurrence of Finance Department.

The Committee was not satisfied with the explanation of the department and appointed a special Committee headed by the Special Secretary Health, comprising a representative each from Audit, Finance Department and Jinnah Hospital to probe into the matter and submit report to the PAC within 30 days.

The para was kept pending.

(97.2) Nishtar Medical College, Multan – Rs.5,474,529/-

19.04.2006 The Department explained that the concerned Districts Accounts Officer had issued the LPCs, which were available for verification.

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

(97.3) Sh. Zayed Hospital R. Y. Khan – Rs.315,090/-

18.04.2006 The Department explained that the services of Dr. Muhammad Saleem, CMO, (BS-19) Government of Sindh were placed at the disposal of Government of the Punjab on deputation, initially for the period of two years. On the expiry of deputation period he was granted one year extension.

The Committee kept the para pending for 20.4.2006.

One 20-4-2006, the Department explained that the matter was thrashed out in detail which revealed that there was one post of APMO (BS-19) in the Sheikh Zayed Hospital R. Y. Khan but a new post of Chief Medical Officer was created by the Chief Executive of the Hospital for adjustment of the aforesaid officer.

The Committee was not satisfied with the explanation of the Department and directed that the matter be got regularized from the Finance Department.

The para was kept pending.

129. Para No.98 Page 91 of Audit Report for the year 2001-2002; Irregular Local Purchase of Medicines Worth Rs.6,607,565/-

(98.1) DHQ Hospital, Attock Rs.232,339/-

28.04.2007 The Department explained that the excess purchases were made only for Rs.175,000/- instead of Rs.232,392/-. Moreover, the medical treatment /medical staff and medicines were provided for detainees at Attock Fort by the direction of the NAB Authority and Government of the Punjab Health Department vide letter dated 07.04.2000.

The Committee **settled the para subject to verification** of reduction by Audit and regularization by the Competent Authority.

(98.2) B.V Hospital Bahawalpur – Rs.6,375,226/-

18.04.2006 The Department explained that the hospital was granted autonomy w.e.f. 30-10-1998, necessary sanction to incur expenditure was always obtained from competent authority. Moreover, the sale of medicines by the MSD had been stopped. Hence the purchase of medicines from local market was made to meet the need for treatment of the patients in public interest.

The Committee **kept the para pending** for verification by Audit.

130. Para No.99 Pages 91 & 92 of Audit Report for the year 2001-2002; Non-Surrounding of Saving/Unspent Balances Amounting to Rs.36,219,788/-

(99.1) DHQ Hospital, Rajanpur Rs.1,928,156/-

28.04.2007 The Department explained that appropriation account for the financial year had already settled by the PAC.

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

(99.3) DHQ Hospital, Sargodha – Nil

18.12.2006 The Department explained that overall excess/savings incorporated in the appropriation accounts for the year 2000-2001 on the accounts of Health Department had been settled by the PAC in its meeting held on 1/3-12-2005.

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

(99.13) DHQ Hospital, Bhakkar Rs.1,969,704/-

28.04.2007 The Department explained that the funds were lapsed due to the following reasons:-

1. Many posts of Gazetted/Non Gazetted staff were lying vacant.
2. Funds were provided through modified grant during the month of June i.e. the end of financial year.
3. Due to the instructions of Government regarding austerity measures.

It was also stated that the appropriation accounts for the year had already been settled by the PAC in its meeting held on 1-3 December 2005.

The Committee **settled the para** with the warning to the concerned DDO that the funds be surrendered well in time in future.

131. Para No.100 Page 93 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of Purchase of Material for Maintenance and Repair, Worth Rs.542,919/-.

19.04.2006 The Department explained that a fact finding inquiry was under process and that would be completed within 30 days.

The para was kept pending.

132. Para No.101 Page 94 of Audit Report for the year 2001-2002; Irregular and Wasteful Expenditure of Rs.797,554/- Recovery of Rs.160,967/-

18.12.2006 The Department explained that the purchases were made against rate contract duly approved by the Director Health (Services), Sargodha.

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

133. Para No.103 Page 96 of Audit Report for the year 2001-2002; Non-Maintenance of Accounts to the Tune of Rs.1,662,123/- Regularization Thereof

20.04.2006 The Department explained that unspent balances of contingency register of previous year were brought forward in the register of next year under different heads and these balances were not required to be tallied with the Personal Ledger Account.

The Committee was not satisfied with the departmental explanation and directed that administrative Secretary may resolve the issue in coordination with the Audit.

The para was kept pending.

134. Para No.105 Pages 97 & 98 of Audit Report for the year 2001-2002; Irregular Expenditure on Repair and Maintenance of Machinery Rs.3,131,089/-.

(105.2) Nishtar Medical College, Multan – Rs.254,173/-

19.04.2006 The Department explained that as per observation of the Audit, the requisite history sheets had been maintained by all the respective departments which were available for verification.

The Committee kept the para pending for verification till 20.4.2006.

On 20.4.2006, Audit stated that requisite record had been verified.

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

(105.3) Services Hospital, Lahore – Rs.258,651/-

(105.4) Services Hospital, Lahore – Rs.399,905/- + Rs.40,469/-

20.04.2006 The Department explained that expenditure incurred on the repair of blood gas analyzer was quite justified and NOC from the government workshop and vetting of estimate was not required after autonomy of the Hospital.

Audit stated that the department had not produced history sheet and sole proprietary certificate of the repairing firm and departmental contention regarding non requirement of NOC was not justified.

The paras were kept pending with the direction that department should take necessary action against the responsible at the earliest and get the requisite record verified by Audit.

135. Para No.106 Page 99 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1,738,684/- to Contingent Paid Staff/Work Charge Employees.

20.04.2006 The Department explained that staff deputed for maintenance of the hospital building was withdrawn by the C&W department and work charge employees were hired to carry out the M&R work for 89 days. However, audit contended that the expenditure on work charge employees was required to be charged to the M&R Head whereas the department had paid the work charge employees from the establishment Head.

The para was kept pending with the direction that matter be sorted out and necessary action be taken at the earliest.

136. Para No.107 Pages 100 & 101 of Audit Report for the year 2001-2002; Purchases at Higher Rates Loss of Rs.1,479,807/-

(107.2) DHQ Hospital, Sargodha – Rs.309,400/-

The Department explained that an inquiry was conducted into the matter and the inquiry report had been completed and submitted to the competent authority for final decision.

The para was kept pending with the directions that the competent authority should take decision within 60 days.

(107.6) DHQ Hospital, Bhakkar – Rs.213,596/-

(107.7) DHQ Hospital, Bhakkar – Rs.84,290/-

18.12.2006 Audit pointed out that various items like medicines, chemical, stationery, surgical gloves, x-ray, computers etc. were purchased from the firm at the higher rates than the approved rates contract.

The Department admitted that the purchases were made at the higher rates than the approved by the DHS, Sargodha, however, the specifications of the items purchased were different as mentioned by the audit.

The Committee **kept the paras pending** with the directions that inquiry be initiated and disciplinary action be taken against the responsible under intimation to the PAC.

(107.9) Chief Executive Services Hospital, Lahore – Rs.256,785/- + Rs.24,140/-

20.04.2006 The Department explained that rate contract for purchase of halothane was made with M/s. Usman International @ Rs.945/- per bottle for the year 1998-99. During 1999-2000 no contract was signed and contract for the year 2001 was entered with M/s. Sheeba Corporation and the purchases from M/s. AKAI were made at the risk and cost of

M/s. Sheeba Corporation and the difference of cost amounting to Rs.2,421/- had been recovered. In case of purchases amounting to Rs.24,140/- , the items were purchased on different dates after observing all codal formalities.

The Committee accepted the departmental explanation and **settled the para.**

137. Para No.108 Page 101 of Audit Report for the year 2001-2002; Doubtful Purchase and Expense of Medicine Valuing Rs.105,599/-

18.12.2006 The Department explained that an inquiry was conducted into the matter and no irregularity was found. The inquiry report had also been got verified from the Administrative Department.

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

138. Para No.110 Pages 102 & 103 of Audit Report for the year 2001-2002; Un-Necessary Purchases Without Immediate Requirements Rs.3,097,161/-

(110.1) M.S. DHQ Hospital, Muzaffargarh – Rs.700,196/-

18.12.2006 The Department explained that the store items were procured on the basis of demand and necessary requirement through open tenders.

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

(110.3) Nishtar Hospital, Multan – Rs.278,559/-

19.04.2006 The Department explained that the case for write off sanction had been sent to the Finance Department.

The para was kept pending.

(110.4) Nishtar Hospital, Multan – Rs.640,000/-

19.04.2006 The Department explained that in the light of the directions of SDAC meeting held on 26-27/3/2003, the record had been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(110.6) DHQ Hospital, Bhakkar – Rs.375,075/-

18.12.2006 The Department explained that the items were purchased after observing all the codal formalities in public interest and for the smooth functioning of the hospital.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

139. Para No.111 Pages 103 & 104 of Audit Report for the year 2001-2002; Unnecessary Expenditure on Account of Salary of Kitchen Staff Amounting to Rs.2,353,481/-

(111.1) DHQ Hospital, T.T. Singh – Rs.103,771/-

18.12.2006 The Department explained that the posts of Ward servants were not sufficient and services of Kitchen Staff were being utilized in the different departments of the hospital. Moreover, they were permanent employees and their services could not be terminated. It was also added that similar nature of the draft para was settled by the PAC in its meeting held on 1-3/12/2005.

The Committee **settled the para** with directions that the department should create some cadre posts in consultation with the Finance Department.

(111.2) Sh. Zayed Hospital, Rahim Yar Khan – Rs.446,253/-

16.12.2006 The Department explained that although no budget for diet of patients was being provided by government but free diet was being provided to the patients of TB ward, patients of psychiatry and to poor patients admitted in each ward of the hospital.

The Committee **settled the para** on the assurance of the department that diet was provided in the hospital.

(111.3) Sh. Zayed Hospital R. Y. Khan – Rs.122,503/-

18.04.2006 The Department explained that Mr. Muhammad Shamim Durani was appointed as DIETICIAN for the supervision of performance of Cook and Masalchies as free diet was provided to TB patients, Cancer Patients and other deserving patients of the hospitals.

The Committee **settled the para** with the observation that the Administrative Secretary should ensure the fruitful utilization of services of such employees.

(111.5) Chief Executive Services Hospital, Lahore – Rs.1,613,190/-

20.04.2006 The Department explained that officials were appointed for kitchen of the hospital on permanent basis and their services could not be terminated as they were working in the doctors & nursing hostels and their services were being utilized properly. Moreover, the same hospital had started providing the food to all the patients and the services of these employees were being utilized for cooking food and serving the patients.

The Committee accepted the departmental explanation and **settled the para**.

140. Para No.112.1 Pages 104 & 105 of Audit Report for the year 2001-2002; Irregular Purchases: Rs.5,892,678/-

M.S. DHQ Hospital, Muzaffargarh – Rs.243,224/-

18.12.2006 The Department explained that all the purchases were made by the Purchase Committee and the approval was obtained by the higher authority.

The Committee accepted the explanation of the department and **the para was settled.**

141. Para No.113 Page 105 of Audit Report for the year 2001-2002; Loss of Rs.1,470,937/- Due to Favour to the Supplier.

19.04.2006 The Department explained that the service maintenance agreement was approved by the government after clearance/approval from the Standing Purchase Committee in which it was clearly mentioned that the charge rate in “Yen” may be applied from 18-6-1998.

The Committee kept the para pending for 20.4.2006 to examine whether the service agreement could take retrospective effect or not.?

On 20.4.2006, the department explained that requisite record in support of departmental contention had been verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

142. Para No.114 Page 106 of Audit Report for the year 2001-2002; Excessive Outstation Touring Involving Heavy Expenditure of Rs.117,447/-.

19.04.2006 The Department admitted that as per service agreement of ex-Chief Executive, Nishtar Medical Institution, the recovery had been established and that would be recovered within 90 days.

The para was kept pending.

143. Para No.115 Pages 106 & 107 of Audit Report for the year 2001-2002; Non-Receipt of Equipment Worth Rs.1,449,111/-

28.04.2007 The Department explained that the B.V Hospital, Bahawalpur imported “INTERA CORPOREAL PNEUMATION LITHORPRIPTER model VIRROLITH” from Turkey on CI & F basis. As regards taking the equipment on stock, it was submitted

that the firm had submitted requisite parts of the equipments. The equipments were now functioning and the certificate from the end user was available. The L/C was opened on 25.12.2001, therefore the question of the shipment by 30.9.2001 did not arise.

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

144. Para No.116 Pages 107 & 108 of Audit Report for the year 2001-2002; Doubtful Consumption of Suigas of Rs.4,956,920/-

16.12.2006 The Department explained that the hospital was provincialized during the year 1980, the whole pipeline of sui gas was laid down before the provincialization and was totally underground. Suddenly, the monthly bill increased during the year 2001 and the hospital administration took up the case with the Sui Gas Department. As a result of which the Sui Gas Department gave rebate of Rs.8,760,000,163/-. Even after the rebate, the inflation in the monthly billing was observed and Sui Gas Department was again approached as a result of which a complete survey was carried out by the Technical Staff of Sui Gas Department and pointed out leakage in the underground house pipe lines due to which the whole under ground pipelines were replaced during the year 2002-2003. Since the whole pipelines were under ground and the hospital administration took appropriate action so as such responsibility could not be fixed. Separate meters had been installed and the Sui Gas charges were deducted from the monthly salaries of the residents as per government instructions. It was also stated that the matter was probed and no one was found responsible for the leakage.

The Committee **settled the para subject to verification** of inquiry by the Administrative Secretary.

145. Para No.117 Page 108 of Audit Report for the year 2001-2002; Wastage of Rs.2,170,012/- on Purchase of Machinery lying in Store and Loss of Rs.134,062/- Due to Non-Forfeiture of Security and Non-Imposition of Late Delivery Charges

16.12.2006 The Department explained that the Lepro-scope machine was purchased through Purchase Cell under development Scheme. The installation was delayed due to incomplete receipt of some accessories. Later on, those accessories were provided by the firm and were accepted by the user. Now the equipment is functioning in the hospital.

The para was kept pending for verification of record by audit.

146. Para No.118 Pages 108 & 109 of Audit Report for the year 2001-2002; Loss of Rs.209,196 Due to Irregular Award of Contract

28.04.2007 The Department explained that it was not true that size of the shop was revised after the bidding. Instead, at the time of auction, the bidders had requested the committee to enhance the space from 10' x 10' to 10' x 20' to ensure synchronization of

the structure with that of hospital building as the auction was to be made on B.O.T basis. Before starting the auction, the committee discussed the issue amongst themselves and after deliberations from all the members; request of the bidders was acceded to. It was also stated that since the space to be auctioned was revised before start of the auction, the bid was not required to be enhanced as such. The Department further explained that there was no Sr.20, in the TOR. However, as per clause # 18 of TOR, the successful bidder was required to remit security of Rs.5000/-, which M/S Abdul Sattar accordingly remitted as verified by the audit.

Income Tax of Rs.5550/- @ 5% of Rs.111,000/- was collected from the successful bidder and remitted vide receipt No.10143 dated 24.01.2000.

Electricity was charged from the contractor as per meter readings of the sub-meter installed at the fruit shop for the purpose, duly monitored by the SDO of the institution as was evident from certification by the officer concerned to the effect that sub-meter so installed remained fully functional and operational during currency of the contract.

The balance amount after adjustments of the period for which, fruit shop remained closed due to proceedings in the court of law, was accordingly remitted by the contractor.

The Committee **settled the para** with the warning to Department that such practice should not be repeated in future.

147. Para No.120 Page 110 of Audit Report for the year 2001-2002; Excess Expenditure of Rs.6,438,881/- Due to Non-Observance of Economy Measures During 1998-99

16.12.2006 The Department explained that no instruction was received by the MS, Nishtar Hospital, Multan to curtail the expenditure upto 50% of the budget allocation. However, the Finance Department was of the view that the instructions of austerity measures were issued to all the departments of the Government of the Punjab and the matter required regularization by the FD.

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

148. Para No.128 Pages 115 & 116 of Audit Report for the year 2001-2002; Irregular/Un-Authorized Use of Air Conditioner at Residences Resulting in Heavy Expenditure on Electricity for Rs.4,196,000/-.

(128.2) Services Hospital, Lahore – Rs.992,000/-

20.04.2006 The Department explained that air conditioners had not been installed in all the offices. However, the senior officers were provided the facility. Moreover the

officers, who had installed air-conditioners at their residences, were paying the electricity charges as per units consumed as separate meters had been installed.

Audit stated that department had not produced the requisite bills/record in support of its contention.

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

(128.3) Services Hospital, Lahore – Rs.300,000/-

20.04.2006 The Department explained that air-conditioners in certain rooms had been installed because dignitaries such as Ministers, MPAs, MNAs and Judges from Lahore High Court visited the hospital and they were seated in the said rooms of the doctors. Moreover, sensitive machinery had been installed in certain rooms for which air-conditioners were required.

The Committee was not satisfied with the explanation of the department and directed that Administrative Secretary should look into the matter and initiate a summary to get the matter regularized and for a policy decision on the issue.

The para was kept pending

149. Para No.130 Page 118 of Audit Report for the year 2001-2002; Non-Production of Record Amounting to Rs.32,644,198/-

(130.2) DHQ Hospital, Muzaffargarh – Rs.2,970,015/-

18.12.2006 The Department explained that this para was related to C&W Department and already included in the audit report of C&W.

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

(130.3) Jinnah Hospital, Lahore Rs.22,519,949/-

28.04.2007 The Department explained that record of each transaction was available. The audit had just quoted one example that on 11.01.2001 a wrong credit was made into the account No.27-01-165-0144-3 which was reversed on the same day.

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

(130.5) DHQ Hospital, Rajanpur Rs.1,500,000/-

28.04.2007 The Department explained that an amount of Rs.15,00000/- was paid /transferred to District Officer (Building) Rajanpur through book transfer for repair and maintenance of building. The requisite documents like vouched account and technical sanction etc. were available with office of DO building.

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

150. Para No.132.1 Pages 119 & 120 of Audit Report for the year 2001-2002; Non-Production of Records Relating to Award of Various Contracts.

Quaid-e-Azam Medical College, Bahawalpur – Nil

18.04.2006 The Department explained that the entire record regarding contracts and deposit of contractual money had been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

151. Para No.133 Pages 120 & 121 of Audit Report for the year 2001-2002; Non-Maintenance of Accounts Likely Misappropriation of Rs.753,100/-

28.04.2007 The Department explained that the observation of the department had been properly addressed and record had also been got verified by audit.

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

152. Para No.135.2 Page 122 of Audit Report for the year 2001-2002; Non-Production of Disbursement Record in Support of Payment of Rs.657,387/- Appearing in Schedule of Payment But Not Available in Cash Book.

D.H.Q. Hospital, Kasur – Rs.272,934/-

19.04.2006 The Department explained that the relevant had since been got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

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The paras were discussed in the meetings of PAC-II held on 29.05.2006, 30.05.2006, 31.05.2006, 31.08.2006, 26.02.2007 & 18.04.2007.

Audit Paras (Civil) for the year 2001-2002

- 1. Para No.1 Page 7 of Audit Report for the year 2001-2002; Non-Disbursement/Refund of Cash Rs.80,005/-**

18.04.2007 The Department explained that total amount had been refunded/disbursed and all the relevant record for the purpose had been produced to Audit for verification.

Audit verified the relevant record in the meeting.

On recommendation of Audit the para was settled.

- 2. Para No.2 Pages 7 & 8 of Audit Report for the year 2001-2002; Non-Accountal of Store Articles for Rs.16,064,579/-.**

(2.1) S.S.P. Rawalpindi-Rs.15,087,850/-.

(2.5) S.S.P. Rawalpindi-Rs.636,384/-.

- 3. Para No.5.2 Pages 10 & 11 of Audit Report for the year 2001-2002; Shortage of Stationery and Store Items Worth of Rs.260,449/-.**

SP Narowal-Rs.167,771/-

- 4. Para No.10.2 Pages 13 & 14 of Audit Report for the year 2001-2002; Irregular Payment of House Rent Allowance at Higher Rates; Recovery of Rs.3,346,508/-**

S.P. PC Battalion 4 Faisalabad-Rs.2,968,886/-

- 5. Para No.11 Page 14 of Audit Report for the year 2001-2002; Irregular Drawal/Payment of Conveyance Allowance-Recovery of Rs.1,883,037/-**

- 6. Para No.14 Pages 16 & 17 of Audit Report for the year 2001-2002; Overpayment of Technical Allowance Rs.1,209,256/-**

(14.1) S.P. Sheikhpura-Rs.477,032/-

(14.3) SP, Pakpattan- Rs.65,130/-

(14.5) S.S.P. Multan-Rs.450,420/-

7. **Para No.18 Pages 20 & 21 of Audit Report for the year 2001-2002; Non-Deduction of Income Tax/With-Holding Tax from the Suppliers/Contractors of Rs.548,233/-**

(18.2) S.P. Sheikhpura-35,250/-
(18.5) S.P. Sahiwal-Rs.51,949/-
8. **Para No.22 Pages 23 & 24 of Audit Report for the year 2001-2002; Doubtful Payment of TA/DA, Recovery of Rs.229,061/-**

9. **Para No.26 Page 26 of Audit Report for the year 2001-2002; Fictitious Drawal of Rs.450,803/- on Account of Public Rewards. Recovery Thereof**

10. **Para No.35.6 Pages 32 to 34 of Audit Report for the year 2001-2002; Non-Deduction of Sale Tax Amounting to Rs.3,775,155/-**

S.S.P. Sargodha-Rs.64,718/-
11. **Para No.36.7 Page 34 of Audit Report for the year 2001-2002; Non-Recovery of Rs.11,854,899/- on Account of Fuel Consumed in excess of Permissible Limit.**

(36.7) S.P. Khanewal- Rs.60,130/-.
12. **Para No.37.7 Pages 35 & 36 of Audit Report for the year 2001-2002; Non-Recovery of Rs.871,227/- On Account of Residential Telephone Calls In Excess of Permissible Limit.**

S.S.P. Rawalpindi-Rs.46,585/-
13. **Para No.40 Pages 37 & 38 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of P.O.L/Hiring and Dietary Charges Rs.513,808/-**

14. **Para No.41.2 Page 38 of Audit Report for the year 2001-2002; Non-Maintenance of Telephone Trunk Call Register Recovery of Rs.707,437/-**

District Police Officer, (S.S.P). Lahore:-Rs.483,411/-
15. **Para No.55.2 Pages 49 & 50 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.518,108/- on Account of Purchase of Bed and Boxes.**

SSP, Bahawalpur- Rs.206,681/-.

16. **Para No.58 Pages 51 & 52 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.130,000/- Incurred on Food Items Without Observing Codal Formalities**

17. **Para No.59 Pages 52 & 53 of Audit Report for the year 2001-2002; Irregular Payment of Sewing Charges of Uniforms of Rs.2,012,610/- on Contract Basis to the Government Servant.**

- (59.1) S.P. Lodhran-Rs.101,702/-**
(59.2) S.S.P. Jhang-Rs.329,600/-
(59.3) S.P. Rahim Yar Khan-Rs.417,770/-
(59.4) S.P Bhakkar- Rs.164,084/-
18. **Para No.60 Pages 53 & 54 of Audit Report for the year 2001-2002; Irregular Purchase of Uniform Valuing Rs.942,708/-**

- (60.2) S.P. Mianwali-Rs.136,460/-**
(60.3) S.P. Sahiwal-Rs.550,698/-
19. **Para No.61.3 Pages 54 & 55 of Audit Report for the year 2001-2002; Mis-Classification of Expenditure Amounting to Rs.10,567,402/-**

- S.S.P. Muzaffargarh-Rs.98,900/-**
20. **Para No.62.2 Pages 55 & 56 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of Purchase of Various Items by Splitting Up for Rs.2,120,629/-.**

- SP. Mandi Bahauddin- Rs.118,120/-**
21. **Para No.64 Pages 56, 57, & 58 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.3,540,938/- Beyond Competency on Purchases of Various Items**

- (64.1) SSP, Rawalpindi- Rs.415,572/-**
(64.13) SP Bahawalnagar-Rs.77,650/-
22. **Para No.65 Pages 58 to 60 of Audit Report for the year 2001-2002; Irregular Repair of Vehicles for Rs.8,990,960/-**

- (65.6) Deputy Inspector General Traffic Police Punjab, Lahore:- Rs.561,000/-**

(65.8) S.S.P. Multan-Rs.114,357/-

(65.11) S.P. Narowal-Rs.187,953/-

(65.14) S.S.P. Muzaffargarh-Rs.695,560/-

(65.15) SSP, Rawalpindi- Rs.1,024,087/-

(65.20) S.S.P. Sahiwal-Rs.507,348/-

(65.25) S.P. Bhakkar-Rs.101,268/-

(65.26) S.P. Sialkot-Rs.95,386/-

23. Para No.69.2 Pages 62 & 63 of Audit Report for the year 2001-2002; Irregular Incurrence of Expenditure of Rs.3,453,267/- Without Adopting Prescribed Purchase Procedure.
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Superintendent of Police, Mandi Bahauddin- Rs.1,103,448/-

24. Para No.70 Pages 63 & 64 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.5,372,963/- on the Repair of Building.
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(70.3) S.S.P. D.G. Khan-Rs.621,043/-

(70.5) S.P. Lodhran-Rs.143,785/-

(70.8) S.P. Sahiwal-Rs.304,000/-

(70.9) S.S.P.Lahore:-Rs.364,161/-

(70.10) S.P. Hafizabad-Rs.232,654/-

(70.11) SSP, Multan- Rs.1,232,600/-

(70.13) S.P. Sheikhpura-Rs.599,992/-

25. Para No.71.6 Pages 64 & 65 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.15,900,464/- on the Account of Purchase of Dietry Items
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S.P. Layyah-Rs.243,919/-

26. Para No.74 Pages 67 & 68 of Audit Report for the year 2001-2002; Irregular Purchase of Stationery for Rs.1,921,705/-
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(74.3) S.P. Lodhran-Rs.111,445/-

(74.4) S.S.P. Bahawalpur- Rs.370,691/-

(74.5) S.P. Mandi Bahauddin- Rs.212,008/-

(74.6) D.I.G. Traffic Police, Lahore-Rs186,016/-

(74.7) D.I.G. Traffic Police, Lahore:- Rs.337,974/-

27. **Para No.77 Pages 69 & 70 of Audit Report for the year 2001-2002; Irregular Payment of Pay & Allowances Rs.181,261/-**
28. **Para No.91 Page 78 of Audit Report for the year 2001-2002; Irregular/ Doubtful Expenditure on Account of Electricity Charges for Rs.262,090/-**
29. **Para No.92 Pages 78 & 79 of Audit Report for the year 2001-2002; Irregular Purchase of Novel Articles for Rs.65,148/-**
30. **Para No.94 Pages 79 & 80 of Audit Report for the year 2001-2002; Irregular Adjustment/Drawal of Salary Rs.661,896/-**
31. **Para No.103.2 Page 87 of Audit Report for the year 2001-2002; Loss to Government Due to Purchase At Higher Rates Recovery of Rs.1,093,964/-.**

S.S.P. Rawalpindi-Rs.575,393/-

32. **Para No.105 Pages 89 & 90 of Audit Report for the year 2001-2002; Non-Deduction of Record/Doubtful Payment of Rs.25,943,472/-**

(105.1) SP Special Branch, Multan-Rs.323,489/-

(105.2) SP Hafizabad-Rs.288,364/-

(105.3) SP Hafizabad-Rs.74,528/-

(105.9) SSP, Lahore:-511,150/-

(105.13) SSP, Rawalpindi- Rs.851,179/-

(105.19) SP Traffic Bahawalpur-Rs.355,648/-

(105.22) SP Narowal-Rs.30,111/-

29.05.2006 The Department explained that necessary action had been taken in respect of all above paras and audit observations had been addressed to properly

Audit verified the contention of the Department and recommended these paras for settlement.

The paras were settled.

33. **Para No.2.2 Pages 7 & 8 of Audit Report for the year 2001-2002; Non-Accountal of Store Articles for Rs.16,064,579/-.**
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S.P. Attock-Rs.82,976/-

29.05.2006 The Department explained that inquiry was initiated in the case and as a result of inquiry only 7 bullets were found missing. The price value of the missing bullets had been deposited in the government treasury.

The para was settled subject to verification of record by audit.

31.08.2006 The Department explained that an inquiry had been made in the matter and as per inquiry report all the items were physically present in the stock and their entries were available in the stock registers.

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

34. **Para No.2 Pages 7 & 8 of Audit Report for the year 2001-2002; Non-Accountal of Store Articles for Rs.16,064,579/-**
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(2.3) S.S.P .Gujranwala Rs.149,369/-

(2.4) S.S.P, D.G .Khan Rs.108,000/-

35. **Para No.4.1 Page 9 of Audit Report for the year 2001-2002; Non-Accountal of Store Articles and P.O.L Valuing Rs.996,229/-**
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S.S.P. Lahore Rs.638,269/-

36. **Para No.5.1 Page 10 of Audit Report for the year 2001-2002; Shortage of Stationery and Store Items Worth of Rs.260,449/-**
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S.S.P. Lahore Rs.92,678/-

37. **Para No.12.1 Pages 15 & 16 of Audit Report for the year 2001-2002; Overpayment to Constables on Account of Advance Increments Recovery of Rs.365,477/-**
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S.S.P, Faisalabad Rs.206,777/-

38. **Para No.17.3 Pages 19 & 20 of Audit Report for the year 2001-2002; Non-Recovery of Penal Rent Rs.636,220/- on Account of Unauthorized Occupation of Government Residences**
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Police Training School, Sargodha Rs.54,240/-

39. **Para No.21.3 Pages 22 & 23 of Audit Report for the year 2001-2002; Recovery of Rs.703,821/- on Account of Sui Gas & Electricity Charges of Canteen**
S.S.P. Faisalabad Rs.343,821/-
40. **Para No.23.1 Pages 24 & 25 of Audit Report for the year 2001-2002; Non-Recovery of Rs.246,396/- on Account of Pay and Allowances.**
S.P. Sahiwal Rs.196,198/-
41. **Para No.29.1 Pages 28 & 29 of Audit Report for the year 2001-2002; Non-Recovery of Rs.158,253/- on Account of Private Overseas Telephone Calls.**
S.S.P. Muzaffargarh Rs.71,704/-
42. **Para No.33.3 Pages 31 & 32 of Audit Report for the year 2001-2002; Non-Recovery of Rs.54,096,887/- on Account of Charges of Police Guards Deployed at Various Departments.**
Senior Superintendent of Police, Faisalabad Rs.353,608/-
43. **Para No.35.1 Pages 32 & 33 of Audit Report for the year 2001-2002; Non-Deduction of Sale Tax Amounting to Rs.3,775,155/-**
S.S.P. Lahore Rs.1,176,781/-
44. **Para No.36.1 Pages 34 & 35 of Audit Report for the year 2001-2002; Non-Recovery of Rs.11,854,899/- on Account of Fuel Consumed in Excess of Permissible Limit.**
S.P. R.Y. Khan Rs.621,157/-
45. **Para No.39 Page 37 of Audit Report for the year 2001-2002; Loss to Government Due to Non-Auction of Condemned Vehicles Having Reserve Price Rs.11,530,000/-**
Superintendent of Police, Sheikhpura Rs.314,893/-
46. **Para No.53.3 Pages 47 & 48 of Audit Report for the year 2001-2002; Non-Deposit of Auction Proceeds of Canteen/ Cycle Stand into Government Treasury Amounting to Rs.7,492,970/-**
Superintendent of Police, Sheikhpura Rs.314,893/-

47. **Para No.54 Pages 48 & 49 of Audit Report for the year 2001-2002; Irregular Expenditure on POL for Rs.1,244,416/-**
(54.2) S.P. (MT) Punjab, Lahore Rs.418,819/-
(54.3) S.S.P, Gujranwala Rs.298,560/-
48. **Para No.55 Pages 49 & 50 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.518,108/- on Account of Purchase of Bed and Boxes.**
(55.1) S.S.P. Lahore Rs.106,852/--
(55.3) S.S.P, Lahore Rs.204,575/-
49. **Para No.56.3 Pages 50 & 51 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.260,431/- on Repair of Machinery and Equipments**
S.S.P. Lahore Rs.105,318/-
50. **Para No.62 Pages 55 & 56 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of Purchase of Various Items by Splitting Up for Rs.2,120,629/-**
(62.1) S.P. Mandi Bahauddin Rs.78,710/-
(62.6) S.P (MT).Punjab, Lahore Rs.121,048/-
51. **Para No.64 Pages 56 & 57 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.3,540,938/- Beyond Competency on Purchases of Various Items**
(64.5) Superintendent SSP, Lahore Rs.70,265/-
(64.6) S.P. Mianwali Rs.163,021/-
52. **Para No.65 Pages 58, 59 & 60 of Audit Report for the year 2001-2002; Irregular Repair of Vehicles for Rs.8,990,960/-**
(65.7) Superintendent of Police, Traffic, Multan Rs.152,695/-
(65.12) Superintendent of Police, Mianwali Rs.263,350/-
53. **Para No.74.8 Pages 67 & 68 of Audit Report for the year 2001-2002; Irregular Purchase of Stationery for Rs.1,921,705/-**
S.P Traffic, Multan Rs.105,000/-

54. Para No.76 Page 69 of Audit Report for the year 2001-2002; Irregular Re-Employment of Retired Government Servants Loss of Rs.569,428/-
55. Para No.78 Pages 70 & 71 of Audit Report for the year 2001-2002; Irregular Disbursement to Shaheed Police Officers/ Officials Amounting to Rs.15,700,000/-
56. Para No.79 Pages 70 & 71 of Audit Report for the year 2001-2002; Un-Justified Expenditure of Rs.338,892/-
57. Para No.82 Pages 72 & 73 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.230,000/- on Hiring of Electric Fans.
58. Para No.93 Page 79 of Audit Report for the year 2001-2002; Doubtful Payment of Daily Allowance Rs.3,802,448/-
59. Para No.96.3 Pages 82 & 83 of Audit Report for the year 2001-2002; Irregular and Advance Payment on Account of Electricity Charges Rs.6,668,562/-
- Senior Superintendent of Police, Jhang Rs.337,386/-
60. Para No.105 Pages 89 & 90 of Audit Report for the year 2001-2002; Non-Production of Record/ Doubtful Payment of Rs.25,943,472/-
- (105.4) S.S.P, Lahore Rs.7,887,565/-
- (105.5) S.S.P, Lahore Rs.2,333,272/-
- (105.7) S.S.P, Lahore Rs.1,109,181/-
- (105.8) S.S.P, Lahore Rs.196,943/-
61. Para No.106 Pages 90 & 91 of Audit Report for the year 2001-2002; Non-Production of Record in Support of Receipt of Toners Valuing Rs.102,500/-

26.02.2007 The Department explained that audit observations in respect of above paras had been properly addressed to and necessary action had been completed and record had been got verified by audit.

On the recommendation of audit, the above **paras were settled.**

62. **Para No.3 Page 8 of Audit Report for the year 2001-2002; Non-Accountal of Rs.695,965/- in the Cash Book.**
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30.05.2006 The Department explained that the responsible/defaulters accountant namely Mr. Muhammad Abid had been dismissed from service and a case had been registered against him. The case was pending in the court of Special Judge, Anti-Corruption, Multan. It was also stated that a sum of Rs.155,000/- had been recovered from him and deposited into government treasury.

The Committee **kept the para pending** being subjudice in the court of law.

63. **Para No.4.2 Page 9 of Audit Report for the year 2001-2002; Non-Accountal of Store Articles and P.O.L Valuing Rs.996,229/-**
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S.S.P. Lahore-Rs.225,057/-

64. **Para No.14 Pages 16 & 17 of Audit Report for the year 2001-2002; Overpayment of Technical Allowance Rs.1,209,256/-**
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(14.2) S.P. Attock-Rs.129,590/-

(14.4) S.P. p.c Multan-Rs.87,084/-.

65. **Para No.20 Page 22 of Audit Report for the year 2001-2002; Non-Deposit of Rs.210,700/- into Government Account**
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66. **Para No.35.11 Pages 32, 33 & 34 of Audit Report for the year 2001-2002; Non-Deduction of Sale Tax Amounting to Rs.3,775,155/-**
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S.S.P. Rawalpindi-Rs.499,090/-

67. **Para No.36 Page 34 of Audit Report for the year 2001-2002; Non-Recovery of Rs.11,854,899/- on Account of Fuel Consumed in Excess of Permissible Limit.**
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(36.2) S.P. Sheikhpura-Rs.776,955/-.

(36.4) S.S.P. Lahore-Rs.5,916,471/-

(36.5) S.P. (MT) Punjab Lahore-Rs.474,120/-.

68. **Para No.47 Pages 42 & 43 of Audit Report for the year 2001-2002; Improper Maintenance of Stock Register Amount Involved Rs.2,515,228/-.**
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69. Para No.54.1 Pages 48 & 49 of Audit Report for the year 2001-2002; Irregular Expenditure on POL for Rs.1,244,416/-

SSP Sargodha-Rs.527,037/-

70. Para No.56.1 Pages 50 & 51 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.260,431/- on Repair of Machinery and Equipments

SSP, Kasur-Rs.96,975/-

71. Para No.62 Pages 55 & 56 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of Purchase of Various Items by Splitting up for Rs.2,120,629/-

(62.2) S.P. Mandi Bahuddin-Rs.118,120/-

(62.4) S.S.P. Lahore-Rs.1,598,518/-

72. Para No.64 Pages 56, 57 & 58 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.3,540,938/- Beyond Competency on Purchases of Various Items

(64.8) SSP Sargodha-Rs.51,242/-

(64.9) SSP Sargodha-Rs.221,939/-

73. Para No.65 Pages 58, 59 & 60 of Audit Report for the year 2001-2002; Irregular Repair of Vehicle for Rs.8,990,960/-

(65.1) S.P. (MT) Punjab Lahore-Rs.210,919/-

(65.3) Senior Superintendent of Police, Khushab Rs.795,780/-.

(65.4) Superintendent of Police, Layyah-Rs.334,172/-

(65.17) S.P. Lodhran-Rs.57,701/-.

(65.18) S.P. Khanewal-Rs.59,690/-

(65.21) S.S.P. Lahore-Rs.981,384/-

(65.22) S.P. Hafizabad-Rs.158,276/-

(65.23) S.P. Hafizabad-Rs.151,485/-

74. Para No.70 Pages 63 & 64 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.5,372,963/- on the Repair of Building

(70.9) S.S.P. Lahore-Rs.364,161/-

(70.12) S.S.P. Khushab-Rs.150,000/-

75. **Para No.72.3 Pages 65 & 66 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.3,109,915/- on Account of Payment to Contingent Paid Staff.**
-

S.S.P. Sargodha-Rs.2,622,000/-.

76. **Para No.75 Pages 68 & 69 of Audit Report for the year 2001-2002; Non Leasing of Agriculture Land Loss of Rs.82,244/-**
-

77. **Para No.80 Page 71 of Audit Report for the year 2001-2002; Clearance of Liabilities of the Previous Year Rs.1,045,617/-**
-

78. **Para No.99 Pages 84 & 85 of Audit Report for the year 2001-2002; Wasteful Expenditure on Account of up Keep of 16 Horses and Their Maintenance Rs.966,770/-**
-

79. **Para No.105 Pages 89 & 90 of Audit Report for the year 2001-2002; Non-Production of Record/Doubtful Payment of Rs.25,943,472/-**
-

(105.6) S.S.P. Lahore-Rs.60,000/-

(105.17) S.P. Sargodha-Rs.86,497/-

(105.20) S.P. Lodhran-Rs.220,060/-

31.08.2006 The Department explained that the observations of the audit had been properly addressed in the above mentioned paras and got verified by audit.

On the recommendation of audit, **the paras were settled.**

80. **Para No.4.3 Page 9 of Audit Report for the year 2001-2002; Non-Accountal of Store Articles and P.O.L Valuing Rs.996,229/-**
-

S.P. Traffic, Rawalpindi-Rs.82,038/-

29.05.2006 The Department explained that Rs.21,175/- had been recovered and deposited into the government treasury. The remaining amount was not recoverable as the log books of the vehicles were available and entries of POL also existed in the relevant log books.

The Committee **settled the para subject to credit verification/record by audit.**

81. **Para No.4.4 Page 9 of Audit Report for the year 2001-2002; Non-Accountal of Store Artcils and P.O.L Valuing Rs.996,229/-**
-

Superintendent Central Jail, Sahiwal – Rs.50,865/-

82. Para No.30 Pages 28 & 29 of Audit Report for the year 2001-2002; Non-Recovery of T.V Set Charges from Prisoners for Rs.109,800/-
83. Para No.49.1 Pages 43 & 44 of Audit Report for the year 2001-2002; Non-Maintenance of Crop Register Loss of Rs.426,242/-
Superintendent Central Jail, Multan – Rs.354,242/-
84. Para No.61.7 Pages 54 & 55 of Audit Report for the year 2001-2002; Mis-Classification of Expenditure Amounting to Rs.10,567,402/-
Superintendent Distt. Jail, Sargodha- Rs.92,709/-
85. Para No.64.11 Pages 56-58 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.3,540,938/- Beyond Competency on Purchases of Various Items
Superintendent New Central Jail Bahawalpur-Rs.241,609/-
86. Para No.69.1 Pages 62 & 63 of Audit Report for the year 2001-2002; Irregular Incurrence of Expenditure of Rs.3,453,267/- without Adopting Prescribed Purchase Procedure
Superintendent New Central Jail(Maintenance A/cs Multan – Rs.1,604,379/- Rs.80,218/-
87. Para No.71.7 Pages 64 & 65 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.15,900,464/- on the Account of Purchase of Dietary Items
Superintendent B.I & J Jail Bahawalpur – Rs.7,516,061/-
88. Para No.86 Pages 74 & 75 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,244,000/- on Purchase of Cotton Yarn.
89. Para No.87 Page 75 of Audit Report for the year 2001-2002; Unlawful Deposit of Rs.101,660/- As Jail Receipt and Recovery of Rs.8,600/-

18.04.2007 The Department explained that the contention of the Department in above mentioned paras had been accepted by audit and recommended these paras for settlement.

On the recommendation of audit, the above mentioned **paras for settled.**

90. **Para No. 6.1 Page 11 of Audit Report for the year 2001-2002; Overpayment of Pay & Allowances Rs.311,559/-**
-

Superintendent District Jail, Kasur Rs.169,380/-

91. **Para No. 16.1 Page 19 of Audit Report for the year 2001-2002; Non-recovery of House Rent Allowance and 5% rent Deduction amounting to Rs.223,382/- from the Officials provided with Government Residences**
-

District Jail, Gujrat Rs.138,842/-

92. **Para No. 18 Page 20 of Audit Report for the year 2001-2002; Non-deduction of Income Tax/With-holding Tax from the Suppliers/Contractors of Rs.548,233**
-

(18.3) District Jail, Bahawalnagar Rs. 15,872/-

(18.6) Senior Superintendent Central Jail, Sahiwal Rs.142,903

(18.7) Superintendent New Central Jail (Maintenance Accounts) 2000-2001, Multan Rs.111,430/-

93. **Para No. 24.3 Page 25 of Audit Report for the year 2001-2002; Non-recovery of Rs. 500,224/- on Account of Excessive Rates than Contract**
-

Superintendent District Jail, Kasur Rs. 135,410/-

94. **Para No. 32 Page 30 of Audit Report for the year 2001-2002; Non/less recovery of Electricity/Sui Gas Charges of Rs. 2,489,300/- from the Residents of Residential Colonies of Jail**
-

(32.1) Superintendent Jail, Kasur Rs. 1,094,400/-

(32.3) Superintendent Jail, Faisalabad Rs. 60,700/-

95. **Para No. 35.2 Page 32 & 33 of Audit Report for the year 2001-2002; Non-deduction of Sale Tax amounting to Rs. 3,775,155/-**
-

Superintendent District Jail, Sheikhupura Rs. 31,360/-

96. **Para No. 38.3 Page 36 of Audit Report for the year 2001-2002; Non-recovery of Money on Account of Lease outstanding against Different firms for Rs. 1,378,054/-**
-

Superintendent District Jail, Faisalabad Rs. 136,247/-

97. **Para No. 45.2 Page 41 of Audit Report for the year 2001-2002; Late Deposit of Government Receipt into Treasury Rs. 1,049,353/- and Recovery of Rs. 436,302/- as Interest**
-

Senior Superintendent Central Jail, Sahiwal Rs. 1,358,559/-

98. **Para No. 56.2 Pages 50 & 51 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs. 260,431/- On repair of Machinery & Equipments**
-

Senior Superintendent Central Jail, Sahiwal Rs. 58,138/-

99. **Para No.64.14 Page 56 & 57 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.3,540,938/- beyond Competency on Purchases of Various Items**
-

Superintendent New Central Jail (Factory Section) Bahawalpur Rs.78,750/-

100. **Para No. 69.3 Pages 62 & 63 of Audit Report for the year 2001-2002; Irregular Incurrence of Expenditure of Rs.3,453,267/- without Adopting Prescribed Purchase Procedure**
-

Superintendent District Jail, Mandi Bahauddin Rs.665,222/-

101. **Para No. 70.7 Page 63 & 64 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.5,372,963/- On the Repair of Building**
-

Superintendent District Jail, Sheikhpura Rs. 143,522/-

102. **Para No. 71 Page 64 & 65 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.15,900,464/- On the Account of Purchase of Dietary Items**
-

(71.2) Superintendent Central Jail, Mianwali Rs.694,887/-

(71.4) Senior Superintendent Central Jail, Sahiwal Rs. 2,668,831/-

(71.8) Superintendent District Jail, M/Garh Rs.81,283/-

103. **Para No. 103.1 Page 87 of Audit Report for the year 2001-2002; Loss to government due to purchase at Higher Rates Recovery of Rs. 1,093,964/-**
-

District Jail, Kasur Rs. 518,571/-

31.05.2006 The Department explained that the contention of the Department in all the above mentioned paras had been accepted by audit.

On the recommendation of audit, **the paras were settled.**

104. Para No. 6.2 Page 11 of Audit Report for the year 2001-2002; Overpayment of Pay & Allowances Rs.311,559/-

Superintendent District Jail, Lahore Rs. 142,179/-

31.05.2006 The Department explained that an amount of Rs.14,080/- was less drawn and Rs.40,270/- had been recovered and the balance recovery was being made from the concerned officers/officials.

The para was kept pending with the directions that the disciplinary action be initiated against the concerned DDO for over payment of pay & allowances.

105. Para No.7 Page 12 of Audit Report for the year 2001-2002; Non-Deduction of Benevolent Fund Amounting to Rs.817,708/- from Pay of Staff.

30.05.2006 The Department explained that Benevolent Fund as well as Welfare Fund was being deducted from the monthly salaries of the force and deposited to the Deputy Inspector General of Police, Welfare & Finance Punjab Lahore

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

106. Para No.8 Pages 12 & 13 of Audit Report for the year 2001-2002; Overpayment of Eid Pay and Conveyance Allowance—Recovery of Rs.67,286/-

30.05.2006 The Department explained that the Pay & Conveyance Allowance was only paid to those officials who were on duty on the Eve of payment of salary of the month in which the festival had fallen in as per the government instructions.

The Committee settled the para subject to verification of the notification by audit.

107. Para No.9 Page 13 of Audit Report for the year 2001-2002; Overpayment on Account of Pay Rs.129,100/-

29.05.2006 The Department explained that out of total recovery of Rs.129,100/- a sum of Rs.62,757/- had been recovered and got verified by audit. The balance recovery was being effected @ 1/3 from the pay of the concerned officers/officials.

The para was kept pending.

108. Para No.10 Page 13 & 14 of Audit Report for the year 2001-2002; Irregular Payment of House Rent Allowance at Higher Rates; Recovery of Rs.3,346,508/-.

(10.1) S.P. Traffic Multan-Rs.65,932/-

30.05.2006 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 audit.

(10.3) D.P.O. (S.S.P), Lahore – Rs.311,690/-

18.04.2007 The Department explained that total recovery had been effected and got verified by audit.

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

109. Para No.12.2 Page 15 of Audit Report for the year 2001-2002; Overpayment to Constables on Account of Advance Increments-Recovery of Rs.365,477

S.P .Okara -Rs.158,700/-.

31.08.2006 The Department explained that total recovery had been effected and got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

110. Para No.13 Pages 15 & 16 of Audit Report for the year 2001-2002; Irregular Payment of Special Additional Allowance to Contract Employees – Rs.85,561/-

18.04.2007 The Department explained that the grant of special additional allowance was not admissible to the civil servant recruited after 1.12.2001. Whereas, all 14 Wardens were appointed before 1.12.2001 hence were entitled for special additional allowance.

The Committee accepted the explanation of the department and **the para was settled.**

111. Para No.15 Pages 17 & 18 of Audit Report for the year 2001-2002; Irregular Drawal of Ration Allowance-Recovery of Rs.3,431,734/-

(15.1) S.P. Khanewal-Rs.247,000/-

31.08.2006 The Department explained that the EPF employees had filed a case in the Lahore High Court Lahore against the recovery of excess payment as pointed out by audit. Further the matter had been referred to the Finance Department for clarification. The recovery could not be made till the decision of the court and clarification by the Finance Department.

The para was kept pending being subjudice.

- 112. Para No.15.2 Pages 17 & 18 of Audit Report for the year 2001-2002; Irregular Drawal of Ration Allowance—Recovery of Rs.3,431,734/-**
-

S.P, P.C. Multan-Rs.1,025,445/-

- 113. Para No.34.3 Page 32 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1,044,576/- on Account of Ration Allowance.**
-

Superintendent of Police, Punjab Constabulary, Multan-Rs.72,576/-.

30.05.2006 The Department explained that the payment of extra-ration allowance had been stopped and the matter of recovery of over payment was subjudice in the court of law.

The Committee **kept the paras pending** being subjudice in the court of law.

- 114. Para No.15 Pages 17 & 18 of Audit Report for the year 2001-2002; Irregular Drawal of Ration Allowance-Recovery of Rs.3,431,734/-**
-

(15.3) D.P.O. (S.S.P.) Lahore – Rs.1,691,604/-

18.04.2007 The Department explained that the matter was subjudice in the court of law and the next date of hearing has not yet been fixed by the Hon'able Court.

The Committee **kept the para pending** being subjudice.

(15.4) S.P. Lodhran-Rs.467,685/-.

29.05.2006 The Department explained that the matter was subjudice in the court of law.

The para was kept pending being subjudice in the court of law.

31.08.2006 The Department explained that the EPF employees had filed a case in the Lahore High Court Lahore against the recovery of excess payment as pointed out by audit. Further the matter had been referred to the Finance Department for clarification. The recovery could not be made till the decision of the court and clarification by the Finance Department.

The paras were kept pending being subjudice.

- 115. Para No.16.2 Page 19 of Audit Report for the year 2001-2002; Non-Recovery of House Rent Allowance and 5% Rent Deduction Amounting to Rs.223,382/- From The Officials Provided With Government Residences**
-

S.P. Sahiwal – Rs.84,540/-

18.04.2007 The Department explained that an amount of Rs. 28,000/- had been recovered and efforts were being made for the balance recovery.

The Committee **settled the para subject to** balance recovery.

- 116. Para No.17 Pages 19 & 20 of Audit Report for the year 2001-2002; Non-Recovery of Penal Rent Rs.636,220/- on Account of Un-authorised Occupation of Government Residences**
-

(17.1) New Central Jail, Bahawalpur-Rs.204,048/-

18.04.2007 The Department explained that rent free accommodation was admissible to the concerned staff and they had retained the residence at previous station till the availability of accommodation at new station and house rent was not claimed by them as per certificate issued by the concerned Superintendent Jails.

The Committee accepted the explanation of the department and **the para was settled.**

(17.2) Senior Superintendent Central Jail, Sahiwal Rs. 377,932/-

31.05.2006 The Department explained that the staff of the Jail was entitled to rent free accommodation as per FD notification dated 28.2.1980 read with rule 937,1005, 1043 and 1081 of Pakistan Prisons Rules 1978.

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

- 117. Para No. 18 Page 20 of Audit Report for the year 2001-2002; Non-deduction of Income Tax/With-holding Tax from the Suppliers/Contractors of Rs.548,233**
-

(18.1) Secretary, Home Department, Lahore Rs. 125,734/-

31.05.2006 The Department explained that a sum of Rs.55,732/- had been recovered and Rs.22,366/- were not recoverable as the payment was made from one government department to other government department and income tax was not applicable. The Department also assured that the balance recovery would be made before the next meeting.

The para was kept pending for balance recovery.

(18.4) District Jail, Shiekhupura 1997-2001 Rs. 65,095/-

31.05.2006 The Department explained that the amount of Rs.30,955/- had been recovered from M/s. Javed Raza, resident of Sheikhpura and as the remaining two contractors were not the residents of District Sheikhpura therefore recovery proceedings as arrears of land revenue had been initiated.

The para was kept pending for balance recovery.

118. Para No.20 Page 22 of Audit Report for the year 2001-2002; Non-Deposit of Rs.210,700/- Into Government Account.

29.05.2006 Audit stated that the a sum of Rs.210,700/- was realized from the residences of the staff colony on account of private use of electricity on 7/99 but the same were deposited into government treasury on 2000.

The Department admitted this irregularity and stated that disciplinary action would be taken against the concerned DDO.

The Committee **kept the para pending** with the direction that the disciplinary action under PRSO 2000 be initiated against the concerned DDO.

119. Para No.21 Pages 22 & 23 of Audit Report for the year 2001-2002; Recovery of Rs.703,821/- on Account of Sui Gas and Electricity Charges of Canteen.**(21.1) Superintendent District Jail, Kasur – Rs.120,000/-**

18.04.2007 The Department explained that an enquiry was conducted in to the matter which concluded that two contractors had furnished an affidavit regarding non use of electricity. Whereas the remaining two contractors used one bulb and one ceiling fan during office hours and deposited Rs.6000/- at Rs.500/- per month.

The Committee **kept the para pending** with the directions that relevant record be got verified by Audit.

(21.2) Superintendent of Police Sheikhpura Rs.240,000/-

26.02.2007 The Department explained that the utility bills of 30 months were outstanding against the contractor of the Canteen and he had been directed to deposit the said amount.

The Committee observed that DDO was responsible for non-recovery of the utility charges for such a long period and he should have checked the accounts at the time of renewal of the contract.

The Committee directed that action be taken against the officer responsible for lapse and **the para was kept pending.**

120. Para No.23.2 Page 24 of Audit Report for the year 2001-2002; Non-Recovery of Rs.246,396/- on Account of Pay and Allowances

D.S.P. Range Reserve, Lahore- Rs.50,198/-

18.04.2007 The Department explained that the official had since been transferred and the amount of excess payments had been mentioned in the LPCs. The AG office was also in process of recovery.

The Committee **settled the para subject to** recovery and its verification by audit.

121. Para No.24 Page 25 of Audit Report for the year 2001-2002; Non-Recovery of Rs.500,224/- on Account of Excessive Rates Than Contract

(24.1) Superintendent Central Jail, D.G.Khan – Rs.49,739/-

18.04.2007 The Department explained that all the purchases of dietary articles were made after observing the codal formalities and within the competency. However, the delay occurred in the process of rate contract.

The Committee accepted the explanation of the department and **the para was settled.**

(24.2) Superintendent Central Jail, Gujranwala – Rs.55,153/-

18.04.2007 The Department explained that the para was discussed in the meeting of held on 8&9.9.2003, and was settled after verification of record.

The para was settled.

(24.4) Superintendent Central Jail, Lahore – Rs.259,922/-

18.04.2007 The Department explained that the para was discussed in the SDAC meeting held on 8&9.9.2003 and was settled after verification of record.

The para was settled.

122. Para No. 25 Pages 25 & 26 of Audit Report for the year 2001-2002; Recovery of Rs.256,346/- on Account of Excess Payment of Law Charges to Defence Counsel

123. **Para No. 43.2 Pages 39 & 40 of Audit Report for the year 2001-2002; Defective maintenance of Log Books Rs.359,690/-**
-

Secretary, Home Department, Lahore Rs.76,612/-

124. **Para No. 44 Page 40 of Audit Report for the year 2001-2002; Un-secured House Building advance to the tune of Rs.375,120/-**
-

125. **Para No. 51.1 Page 45 of Audit Report for the year 2001-2002; Irregular lapse of Funds to the Tune of Rs.11,333,352/-**
-

Secretary to Government of the Punjab Rs.1,088,140/-

126. **Para No. 65.2 Page 58 & 59 of Audit Report for the year 2001-2002; Irregular repair of Vehicles for Rs8990,960/-**
-

Secretary Home Department Lahore Rs. 99,000/-

127. **Para No. 84 Page 73 of Audit Report for the year 2001-2002; Un-economical expenditure of Rs.74,960/- on Purchased Machinery**
-

31.05.2006 The Department explained that the paras were discussed by the SDAC in its meeting held on 31.12.2002 and were settled after verification of record.

On the recommendation of audit, **the paras were settled.**

128. **Para No.27 Pages 26 & 27 of Audit Report for the year 2001-2002; Non-Recovery Rs.2,037,758/- on Account of Pension/Commutation from Government Servants Compulsorily Retired, Later Reinstated.**
-

(27.1) S.S.P. Khushab – Rs.1,151,570/-

18.04.2007 The Department explained that Rs.121259/- and Rs.58,412/- had been recovered from Mr. M. Sher and Mr. Sarfraz Zia upto 09.06 respectively. Further Rs.64,240/- and Rs.52,604/- were also recovered from Mr. Amir Sultan and Mr. M. Nawaz upto 06.04 where after they had been transferred to Traffic Police Punjab and letters had been issued for the intimation of recovery of outstanding amount against them. The compliance would be shown during verification.

The Committee **settled the para subject to balance recovery.**

(27.2) S.P. Rahim Yar Khan-Rs.886,188/-.

29.05.2006 The Department explained that a sum of Rs.377,094/- had been recovered and for the balance amount, recovery was under process on monthly basis from the pay of the officers.

The para was kept pending for balance recovery.

129. Para No.28 Pages 27 & 28 of Audit Report for the year 2001-2002; Excess Consumption of Fuel Amounting to Rs.226,447/- by Revising Average Consumption of Vehicles

29.05.2006 The Department explained that the SP MT Punjab worked out the fuel consumption of these vehicles @ 10/- KMS per liter whereas the average consumption of these vehicles were 7/8 km per liter. It was also stated that the matter had been referred to the competent authority for regularization.

The para was kept pending for regularization by the competent authority.

31.08.2006 The Department explained that in fact the average consumption certificate had been increased from 7/8 per kilo meter to 10 kilometer as per direction of SP/MT for which the fuel consumption was saved. There was no loss to the department, however, the log books and report of mechanic who made adjustment of petrol was available.

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

130. Para No. 31 Page 29 of Audit Report for the year 2001-2002; Non-recovery of Rs.90,000/- on account of use of Air-conditioners beyond Entitlement

31.05.2006 The Department explained that computer cell of each wing was established in the office of concerned Deputy Secretary and air-conditioners were installed for proper functioning of computers and their accessories.

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

131. Para No. 32 Page 30 of Audit Report for the year 2001-2002; Non/less recovery of Electricity/Sui Gas charges of Rs.2,489,300/- from the Residents of Residential Colonies of Jail

(32.2) Superintendent Jail, Lahore Rs. 1,000,000/-

31.05.2006 The Department explained that due to non/less availability of budget for the month of May 2001 the payment could not be made. On the receipt of budget, all pending

bills of Sui Gas upto date were cleared. So far as, the recovery of residential colony was concerned, the same was recovered and deposited into the government treasury which was also verified in SDAC meeting held on 8-9/9-2003.

The para was kept pending for verification of record by audit and committee also directed that the separate Sui Gas meters be installed in the residential colony.

(32.4) Superintendent Central Jail, Lahore –Rs.334,200/-

18.04.2007 The Department explained that the para was discussed in the SDAC meeting held on 8/9.9.2003, with the directions to get separate meters installed for the residential areas.

The Committee **settled the para** with the same direction.

132. Para No.33 Page 31 of Audit Report for the year 2001-2002; Non-Recovery of Rs.54,096,887/- on Account of Charges of Police Guards Deployed at Various Departments

(33.1) Senior Superintendent of Police, Multan Rs.1,293,866/-

26.02.2007 The Department explained that recovery of Rs.343,350/- had been effected whereas balance amount was outstanding against Municipal Corporation Multan, which was not willing to pay the outstanding dues despite several reminder.

The Committee **kept the para pending** with the directions that concerned DPO & TMO Multan should be directed to appear before the Sub-Committee-VII of Public Account Committee-II for complete security of facts.

(33.2) Senior Superintendent of Police, Faisalabad-Rs.2,423,910/-.

30.05.2006 The Department explained that the concerned authorities had been repeatedly directed to deposit the outstanding amounts. It was also stated that SP, Headquarter had been directed to hold a formal meeting with the concerned authorities to clear all the outstanding amount otherwise their police guard would be withdrawn.

The Committee **kept the para pending** with the directions that the minutes of the said meeting be submitted to PAC in its next meeting

(33.4) S.S.P. Attock-Rs.3,096,926/-.

29.05.2006 The Department explained that a sum of Rs.1,437,000/- had been recovered from the PBC and got verified by audit. It was also stated that the efforts were being made for the balance recovery.

The Committee settled the para subject to verification of duty roster for the period under observation by Audit.

31.08.2006 The Department explained that a demand of police guards was made on the basis of total strength of police guards but actual guards supplied was less and the department had paid the cost on the basis of actual supplied guard.

The para was settled subject to verification of deployment of guard from Roznamcha by audit.

(33.5) Senior Superintendent of Police, Bahawalpur – Rs.1,777,232/-

18.04.2007 The Department explained that actually the recoverable amount was Rs.1865281/- instead of Rs.1,777,232/- which had been recovered and got verified by audit.

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

(33.6) S.P. Attock-Rs.136,448/-.

31.08.2006 The Department explained that a demand of police guards was made on the basis of total strength of police guards but actual guards supplied was less and the department had paid the cost on the basis of actual supplied guard.

The para was settled subject to verification of deployment of guard from Roznamcha by audit.

(33.7) Senior Superintendent of Police, Lahore- Rs.45,014,897/-

18.04.2007 The Department explained that the meeting with various departments where the police guards had been deployed was being called within one month and assured that recovery be effected expeditiously.

The Committee **kept the para pending** with the directions that the report of the meeting be submitted to the PAC within one month.

133. Para No.34 Page 32 of Audit Report for the year 2001-2002; Irregular Payment of Rs.1,044,576/- on Account of Ration Allowance.

(34.1) Superintendent of Police, Pakpattan – Rs.156,000/-

18.04.2007 The Department explained that the matter was subjudice in the Lahore High Court Lahore. Moreover, the matter had also been referred to the Finance Department for further clarification whether both the amounts Rs.681/- pm and Rs.1,000/- pm or only Rs.1,000/-pm was payable.

The Committee **kept the para pending** being subjudice in the court of law.

(34.2) Senior Superintendent of Police, Multan Rs.816,000/-

26.02.2007 The Department explained that the matter was subjudice in the court of law which was being pursued vigorously.

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

134. Para No. 35 Pages 32 & 33 of Audit Report for the year 2001-2002; Non-deduction of Sale Tax amounting to Rs.3,775,155/-

(35.3) S.S.P. Jhang – Rs.421,999/-

18.04.2007 The Department explained that sales tax amounting to Rs.104683/- had been deposited by the firms and the credit challans were available for verification. However, efforts were being made for the balance amount.

The Committee **settled the para subject to** recovery and its verification by audit.

(35.4) S.S.P. Gujranwala-Rs.156,821/-

31.08.2006 The Department explained that the actual amount of the sales tax was Rs.161,467/- instead of Rs.156,821/- out of which deduction of Rs.49,925/- as sales tax by the District Accounts Officer, Gujranwala had been got verified by audit. For the balance amount of sales tax, the Sales Tax Department had been requested for recovery of sales tax from the defaulter firms vide letter dated 12-07-2006.

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

(35.5) S.P. Sheikhpura Rs.206,680/-

26.02.2007 The Department explained that efforts were being made for recovery of sales tax and Collector Sales Tax had been requested for recovery on this account and several reminders had also been served to him.

The para was kept pending for recovery.

(35.7) Superintendent District Jail, Mandi Bahauddin Rs. 213,048/-

31.05.2006 The Department explained that the para consisted of ten parts i.e. from A to J:-

- A.** The Department explained that the sales tax was not applicable in the case. The Committee settled this part subject to verification of record by audit.

B, C, D, E and G

The Department explained that the sales tax invoices had been produced to audit who had verified the same.

Theses parts were settled.

- F. The Department explained that the sales tax invoices of M/s. Ameen Sons were available for verification.

This part was settled subject to verification of record by audit.

- H. The Department explained that the sales tax was not applicable on bricks, sand and bajjri.

The Committee accepted the explanation of the department and **this part was settled.**

- I. The Department explained that the sales tax was not liveable on fire wood.

This part was settled subject to verification of record by audit.

- J. The Department explained that the concerned suppliers had been directed to deposit the sales tax within 90 days otherwise the recovery would be made as arrears of land revenue.

This part was kept pending for recovery.

(35.8) S.P .Mandi Bahauddin-Rs.169,328/-.

31.08.2006 The Department explained that the department had written letter to the firms and Sales Tax Department for the payment/recovery of the Sales Tax. Moreover, the invoices were available for verification.

The Committee **settled the para subject to verification** of invoices by audit.

(35.9) Superintendent, New Cental Jail, Bahawalpur Rs. 37,622/-

(35.10) Superintendent, New Cental Jail, Bahawalpur Rs. 59,492/-

31.5.2006 The Department explained that the sales tax invoices were available for verification.

The paras were settled subject to verification of record by audit.

(35.11) S.S.P. Rawalpindi-Rs.499,090/-

29.05.2006 The Department explained that the GST invoices worth Rs.83,007 were available for verification whereas the balance invoices would be got verified by audit within a week.

The para was kept pending for verification of invoices till 31.5.2006.

On 31.5.2006, the department explained that total GST invoices were available for verification.

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

(35.12) S.S.P. D.G. Khan-Rs.97,435/-

31.08.2006 The Department explained that the para of the same nature was discussed by the PAC on 29.8.2005 and was settled.

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

(35.13) Secretary Home Department, Lahore Rs. 43,132/-

31.05.2006 Audit had pointed out non-payment of sales tax to the tune of Rs.43,132.65.

The Department explained that all the firms had been directed to deposit the amount of sales tax. Whereas, audit was of the view that the purchases were made from un-registered firms and it was the duty of concerned DDO to deduct the sales tax at the time of purchases.

The para was kept pending with the directions that the responsibility be fixed and recovery be made from the responsible officer.

(35.14) S.S.P. Gujranwala-Rs.325,871/-

31.08.2006 The Department explained that Rs.71,054/- had been deducted as sales tax through bills by the District Accounts Officer, Gujranwala and got verified by audit. For the balance amount the sales tax department had been requested to recover the sales tax from the defaulter firms vide letter dated 12-7-2006.

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

(35.15) S.S.P. Kasur-Rs.271,818/-

31.08.2006 The Department explained that as per the direction of the audit, a list of the supplying firms indicating the amount of purchase had been sent to the Sales Tax Department for recovery of the sales tax on 11-4-2006 and reminder in this regard had been issued on 03.7.2006.

The para was kept pending for verification whether the purchases were made from the registered or non-registered firms for the purposes of sales tax.

135. Para No.36 Page 34 of Audit Report for the year 2001-2002; Non-Recovery of Rs.11,854,899/- on Account of Fuel Consumed in Excess of Permissible Limit.

(36.3) S.P. Sahiwal-Rs.77,033/-

30.05.2006 The Department explained that the POL limits were imposed for ordinary duties but in emergent circumstances additional duty like patrolling, special raids, appearance in the High Court, encounters and other multiple duties were also performed for which additional funds were provided for the use of vehicles.

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

(36.6) Addl. I.G. Police Spl. Branch, Lahore – Rs.153,878/-

18.04.2007 The Department explained that the prescribed limit of fuel consumption in patrolling vehicles were not applicable to the vehicles used outside the radius of municipal limits. In the instant case the vehicles were used for journey to Islamabad, Rawalpindi and Multan for special secret duties. Moreover, the excess use of fuel was got sanctioned by the competent authority as per policy.

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

136. Para No. 37 Page 35 of Audit Report for the year 2001-2002; Non-recovery of Rs.871,227/- on account of Residential Telephone Calls in Excess of Permissible Limit

(37.1) S.P. Pakpattan Rs.56,397/-

26.02.2007 The Department explained that a case for regularization of the excess expenditure had been moved for approval of the competent authority which was under process.

The para was kept pending till the regularization of expenditure by the competent authority.

(37.2) S.P. R.Y.Khan –Rs.202,973/-

(37.3) S.S. P. Faisalabad –Rs.222,945/-

(37.10 D.S.P. Lahore Range Reserve, Lahore –Rs.37,630/-

18.04.2007 The Department explained that the telephone calls were made purely for the official purposes to pass on the orders of the high ups to the lower staff and compliance report to the high ups in respect of maintenance of law and order situation.

The Committee **settled the paras** with the directions that either the ceiling of the calls be got enhanced or the instruction of FD be followed in future.

(37.4) Secretary Home Department, Lahore Rs. 37,669/-

31.05.2006 The Department explained that a sum of Rs. 541/- had been recovered and for the balance recovery, the concerned officer had been requested to deposit the amount in the government treasury.

The para was kept pending with the directions that the balance recovery be made at the earliest.

137. **Para No.37.5 Pages 35 & 36 of Audit Report for the year 2001-2002; Non-Recovery of Rs.871,227/- on Account of Residential Telephone Calls in Excess of Permissible Limit**
D.I.G. Police Sargodha – Rs.61,563/-
138. **Para No.61.1 Pages 54 & 55 of Audit Report for the year 2001-2002; Mis-Classification of Expenditure Amounting to Rs.10,567,402/-**
SP Traffic, Multan – Rs.268,026/-
139. **Para No.65.9 Pages 58-60 of Audit Report for the year 2001-2002; Irregular Repair of Vehicles for Rs.8,990,960/-**
Additional Inspector General of Police, Lahore (Special Branch) – Rs.364,374/-
140. **Para No.65.10 Pages 58-60 of Audit Report for the year 2001-2002; Irregular Repair of Vehicles for Rs.8,990,960/-**
Additional Inspector General of Police, Lahore (Special Branch) – Rs.259,902/-
141. **Para No.73.1 Pages 66 & 67 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.31,617,094/- Incurred Over and Above the Budget Allocation**
Addl. I.G. Police Punjab, Special Branch, Lahore – Rs.1,267,821/-
142. **Para No.73.6 Pages 66 & 67 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.31,617,094/- Incurred Over and Above the Budget Allocation**
S.P. Mianwali – Rs.1,101,843/-
143. **Para No.74.1 Pages 67 & 68 of Audit Report for the year 2001-2002; Irregular Purchase of Stationery for Rs.1,921,705/-**
S.P. Mianwali, - Rs.167,307/-
144. **Para No.97 Page 83 of Audit Report for the year 2001-2002; Irregular Purchase of News Papers and Periodicals for Rs.147,439/- Recovery Rs.22,498/-**

18.04.2007 The Department explained that the matter had been referred to the Finance Department for regularization on 2.2.2007.

The Committee **kept the paras pending** with the directions that the matter be pursued with the Finance Department for early regularization.

- 145. Para No.37 Pages 35 & 36 of Audit Report for the year 2001-2002; Non-Recovery of Rs.871,227/- on Account of Residential Telephone Calls in Excess of Permissible Limit**
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(37.6) Adll. I.G. Police Special, Branch, Lahore – Rs.57,944/-

18.04.2007 The Department explained that Rs.27946/- had been recovered and letters were written to the remaining officers for early recovery. It was also stated that most of the officers had either been retired or died.

The Committee **settled the para** on compassionate grounds.

(37.8) I.G. Prison, Punjab, Lahore Rs.123,913/-

31.05.2006 The Department explained that the said telephones were installed at the official residences of the then IG Prisons and DIG Headquarter. The excess calls were made to the jails at odd hours to meet with the emergent official business in the public interest.

The Committee desired that the excess **expenditure be regularized by the FD within 90 days otherwise recovery be made from the concerned officers.**

(37.9) Superintendent District Jail, Attock Rs. 23,608/-

31.05.2006 The Department explained that the total recovery had been made and got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 146. Para No. 38.1 Page 36 of Audit Report for the year 2001-2002; Non-recovery of Money on Account of Lease outstanding against Different firms for Rs.1,378,054/-**
-

Superintendent District Jail, Sialkot Rs. 69,054/-

31.05.2006 The Department explained that the contract for the said canteen for the year 1999-2000 was approved by the Inspectorate of Prisons on 10-11-1999 for Rs.285,000/- as the contract was approved in the month of November 1999 so the rent was due for only 8 months. The contractor closed the canteen in May 2000 without any information and he did not come back upto 30.6.2000. So the contract of canteen for the year 2000-01 was approved in the name of Mr. Muhammad Irfan for Rs.326,000/- per annum but its

approval was received on 17.8.2000. Therefore, the contractor worked only for 11 months instead of 12 months and had deposited Rs.293,836/- as per the contract.

The Committee accepted the explanation of the department and **the para was settled.**

- 147. Para No. 38.2 Page 36 of Audit Report for the year 2001-2002; Non-recovery of Money on Account of Lease outstanding against Different firms for Rs. 1,378,054/-**
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Senior Superintendent Central Jail, Sahiwal Rs. 596,753/-

- 148. Para No. 53 Pages 47 & 48 of Audit Report for the year 2001-2002; Non-deposit of Auction Proceeds of Canteen/Cycle Stand into Government Treasury Amounting to Rs.7,492,970/-**
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(53.1) Superintendent District Jail, Rahim Yar Khan Rs.116,870/-

(53.2) Superintendent District Jail, Gujrat Rs. 495,329/-

(53.4) Superintendent District Jail, Lahore Rs.602,438/-

(53.5) Superintendent Central Jail, F/Abad Rs.255,000/-

(53.6) Superintendent Central Jail, Lahore Rs.633,210/-

(53.7) Superintendent District Jail, Kasur Rs.1,200,000/-

(53.8) Superintendent District Jail, Attock Rs.83,832/-

(53.9) Superintendent District Jail, Mandi Bahauddin Rs.78,000/-

(53.12) Superintendent New Central Jail, Multan Rs.547,500/-

(53.13) Superintendent Central Jail, Dera Khazi Khan Rs.55,200/-

(53.15) Superintendent District Jail, F/Abad Rs.408,753/-

- 149. Para No. 95.3 Page 81 of Audit Report for the year 2001-2002; Loss of Rs.1,432,080/- due to Non-auction of Canteen**
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Central Jail, Lahore Rs. 339,000/-

31.05.2006 The Department explained that these paras pertained to the non-deposit of auction proceeds of canteens/cycle stands of various jails and stated that the draft for finalizations of by laws regarding auction of canteens/cycle stands had been submitted to the Law & Parliamentary Affairs Department.

These paras were kept pending till finalization of by laws by the government.

- 150. Para No.38.4 Page 36 of Audit Report for the year 2001-2002; Non-Recovery of Money on Account of Lease Outstanding Against Different Firms for Rs.1,378,054/-**
-

S.S.P. Faisalabad-Rs.576,000/-

31.08.2006 The Department explained that the Excise & Taxation Department had now assessed the rent @ Rs.3,500/- per month and the correspondence with the PSO was under process and a fruitful result was expected to be received shortly.

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

- 151. Para No.41.1 Pages 38 & 39 of Audit Report for the year 2001-2002; Non-Maintenance of Telephone Trunk Call Register-Recovery of Rs.707,437/-.**
-

S.P. Traffic, Bahawalpur-Rs.224,026/-.

29.05.2006 Audit stated that the telephone trunk call register was not maintained and the private calls were made from the official telephones.

The Department explained that the said telephone was used by the Superintendent Police Traffic Bhawalpur and all the calls were made on official purposes but the Department could not produce any evidence to prove his contention.

The Committee **kept the para pending** with the direction that the recovery be made from the concerned officers/officials.

- 152. Para No.42 Page 39 of Audit Report for the year 2001-2002; Public Loss of Rs.367,000/- on Account of Death of 18 Horses**
-

18.04.2007 The Department explained that the post-mortem report was very much clear that the death of the horses were not caused due to carelessness. Moreover, the case for write off had been submitted to the competent authority.

The Committee **settled the para subject to** write off by the competent authority.

- 153. Para No.43.1 Pages 39 & 40 of Audit Report for the year 2001-2002; Defective Maintenance of Log Books Rs.359,690/-**
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Superintendent of Police Special Branch, Multan Rs.359,690/-

26.02.2007 The Department explained that job of the Special Branch was Confidential in nature and the duty performed could not always be recorded on the log books. However, the journey performed had been indicated and certified that it was made for official purposes.

The Committee **settled the para** with the warning that in future log books should be maintained strictly in accordance with the instructions of the government.

- 154. Para No. 45.1 Page 41 of Audit Report for the year 2001-2002; Late Deposit of Government Receipt into Treasury Rs.1,049,353/- and Recovery of Rs.436,302/- as Interest**
-

Central Jail, Lahore Rs. 127,096/-

31.05.2006 The Department explained that the para was discussed in the SDAC meeting dated 8-9/2003 and was settled after verification of record.

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

- 155. Para No.46 Pages 41 & 42 of Audit Report for the year 2001-2002; Loss to Government Due to Negligence of the Department Rs.563,426/-**
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26.02.2007 The Department explained that at the time of handing/taking over the charges of Police Malkhana between HC Mian Muhammad and HC Azhar Mumtaz, it was detected that many previous items including Gold ornaments cash amounting to Rs.563,426/- narcotics and weapons were found missing from Sadar Malkhana Khushab. On receipt of information an enquiry was conducted by enquiry officer (Inspector Ghulam Ali) acting DSP/SDPO, Jauharabad who declared that Mian Muhammad No. 31 was responsible for loss. Secondly the DIG/SR Sargodha had ordered a further enquiry be conducted by SP/Bhakkar. The said enquiry officer also fixed responsibility upon HC Mian Muhammad No. 31. The accused HC was awarded a major punishment by dismissing from service. Later on the said HC was expired as such recovery could not be affected.

The Committee observed that there was gap of approximately two months between the dismissal of the incumbent and registration of criminal case. The Committee directed that responsibility be fixed against the person, who was responsible for this lapse of that time and action be taken against him and **the para was kept pending.**

- 156. Para No.48 Page 43 of Audit Report for the year 2001-2002; Un-Justified Payment of Salary Without Performing Duty Recovery of Rs.152,141/-**
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26.02.2007 The Department explained that ASI Khalid Saeed was appointed on 06.2.1984 as Constable in Finger Print Bureau Punjab. However, he was temporarily working at the residence of Additional IG Punjab. Later he resumed his duties in the office of Finger Print Bureau Punjab, Lahore

Audit contented that the Department should get the expenditure regularized by the Finance Department.

The Committee directed that an inquiry should be held into the matter to thrash out the facts of the case as to who was responsible for this lapse and action should be taken against the responsible officer and in the meantime advice be sought in the matter from the Law Department.

The para was kept pending.

- 157. Para No.49.2 Pages 43 & 44 of Audit Report for the year 2001-2002; Non-Maintenance of Crop Register Loss of Rs.426,242/-**
-

Senior Superintendent Central Jail, Sahiwal – Rs.72,000/-

18.04.2007 The Department explained that yield and consumption of vegetables cultivated on the Jail land were dully accounted for and taken in the stock register. Month wise details of production were available for verification.

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

- 158. Para No.51.2 Pages 45 & 46 of Audit Report for the year 2001-2002; Irregular Lapse of Funds to the Tune of Rs.11,333,352/-**
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S.P. (MT) Punjab, Lahore Rs.6,615,837/-

- 159. Para No.73.4 Pages 66 & 67 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.31,617,094/- Incurred Over and Above the Budget Allocation.**
-

S.P. (MT) Punjab, Lahore Rs.6,709,632/-

26.02.2007 The Department explained that adjustment of the excess expenditure with the lapsed amount revealed that there was no lapse at all and the over all appropriation accounts for the relevant year had been settled by the PAC.

The Committee accepted the explanation of the Department and **the paras were settled.**

- 160. Para No.51 Page 45 of Audit Report for the year 2001-2002; Irregular Lapse of Funds to the Tune of Rs.11,333,352/-**
-

(51.3) Additional I.G. Police Special Branch Police, Lahore – Rs.1,012,207/-

18.04.2007 The Department explained that the vacant posts could not be filled in time due to ban imposed by the government. Moreover, the appropriation accounts for the year had already been settled by the PAC.

The Committee **settled the para** with the condition that the vacant posts be got verified by audit.

(51.4) Inspector General Police Punjab, Lahore – Rs.1,193,085/-

18.04.2007 The Department explained that the total allocation under this head “Contingencies” was Rs.57970950/- and the amount lapse was Rs.833,640/- i.e 1.43% of the final grant which was under the permissible limit. Moreover, the over all grant had been settled while considering the appropriation account by the Department.

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

(51.5) S.S.P. Khushab-Rs.1,424,083/-.

31.08.2006 The Department explained that since the budget controlling authority was DIG/IGP and intimation regarding surrender of amount was sent to them. Therefore, sanction of Finance Department was not required in this case.

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

161. Para No.52 Page 46 of Audit Report for the year 2001-2002; Non-Return of Challan Books, Involving Receipt of Government of Rs.410,000/-.

30.05.2006 The Department explained that Show Cause Notices had been issued to the concerned officer/official and an inquiry was under process.

The Committee **kept the para pending** with the directions that the inquiry be finalized within 90 days under intimation to PAC.

162. Para No.53 Pages 47 & 48 of Audit Report for the year 2001-2002; Non-Deposit of Auction Proceeds of Canteen/Cycle Stand into Government Treasury Amounting to Rs.7,492,970/-**(53.10) Superintendent District Jail, Sheikhpura – Rs.2,169,830/-****(53.14) Superintendent New Central Jail, Bahawalpur – Rs.265,000/-**

18.04.2007 The Department explained that a summary had been moved to Chief Minister for deposit of auction money of canteen/cycle stand.

The paras were kept pending.

(53.11) Senior Superintendent Central Jail, Sahiwal – Rs.267,115/-

18.04.2007 The Department explained that Rs. 834402/- had been recovered and for the balance recovery proceeding as arrears of land revenue had been initiated.

The Committee **kept the para pending** for balance recovery.

163. Para No.57 Page 51 of Audit Report for the year 2001-2002; Purchases of Rs.179,999/- Made Through Arranged and Defective Purchase System.

31.08.2006 The Department explained that the uniform articles, ammunition and other various items which were commonly used by the employees of Police formations/units were purchased in bulk preferably from the Manufactures and Hole-sale Dealers to achieve the benefits of minimum rates at centre level through CPO but their budget allocation was not provided under head 22200-Provincial Police-001 Direction for the reason these items related to the District Police and their allocation was also provided under head 22200-Provincial Police-003 Districts, thus the payments were made out of the District Units where the allocation was available. This was done only to save the money and to purchase the required material duly vetted from the Purchase Committee.

The representative of Finance Department was of the view that the Department should make their rules for such purchases.

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

164. Para No.59 Pages 52 & 53 of Audit Report for the year 2001-2002; Irregular Payment of Sewing Charges of Uniforms of Rs.2,012,610/- on Contract Basis to the Government Servant.

(59.5) S.P. Sialkot-Rs.126,616/-.

(59.8) S.S.P. Muzaffargarh-Rs.278,015/-.

31.08.2006 The Department explained that as per the clarification issued from the office of IGP on 28.3.2002 fresh contract was not required from the contractor. The contracts of tailors were already approved by the IGP and they were allowed to continue as such because the rates offered by these tailors were cheap and no other tailor was agreed to work on these rates. Moreover, the paras of such nature were settled by the PAC on 29.30/5/2006.

The Committee accepted the explanation of the Department and **the paras were settled.**

(59.7) S.P. Narowal – Rs.198,587/-

18.04.2007 The Department explained that as per clarification issued from the office of the IG Police vide letter no. 1911-75/C dated 28.3.2002 fresh contract was not required from the contractors. The contract of tailors was already approved by the IG Punjab and they were allowed to continue as such. Moreover, the paras of same nature had already been settled by the PACs.

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

(59.6) S.S.P. Bahawalpur- Rs.396,236/-.

29.05.2006 The Department explained that the contract for sewing charges was awarded to the Police Lines Tailor according to the police rule 19.34 by the IG Police.

The para was settled subject to verification of record by audit.

165. Para No.60.1 Pages 53 & 54 of Audit Report for the year 2001-2002; Irregular Purchase of Uniform Valuing Rs.942,708/-.

S.S.P. D.G. Khan-Rs.255,550/-.

31.08.2006 The Department explained that the total amount of budget was not released so the tenders were not called and the quotations were obtained as per requirement. Moreover, the comparative statement was prepared and signed by the Purchase Committee. Work order was issued and quantity & quality verification certificate was also obtained from the Committee. The record was available for verification.

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

166. Para No.61 Page 54 & 55 of Audit Report for the year 2001-2002; Mis-Classification of Expenditure Amounting to Rs.10,567,402/-

(61.2) S.P. Special Branch, Multan-Rs.628,600/-

30.05.2006 The Department explained that this practice was being made all over the Punjab but now the Inspector General of Police had stopped this practice vide his letter dated 02.8.2002 and the case for reallocation of funds had been moved to the Finance Department.

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

(61.4) Superintendent District Jail, Mianwali Rs. 180,131/-

31.05.2006 The Department explained that as per rules 1244 of Pakistan Prisons Rules 1978 Seeds & Fertilizers were included under head dietary charges for growing vegetable for the prisoners and no mis-classification was involved.

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

(61.5) Superintendent District Jail Rehim Yar Khan- Rs.139,127/-

18.04.2007 The Department explained that as per Rules 1244 of Pakistan Prisons Rules, 1978 Ice & Milk were included under Head 59800 Dietary Charges for prisons. Therefore, no misclassification was involved.

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

(61.6) Secretary Home Department, Lahore Rs. 59,909/-

31.05.2006 The Department explained that the expenditure was incurred for the refreshment of the participants of meetings held in the Home Department regarding law & order situation according to the government instructions.

The para was settled subject to verification of record by audit.

(61.8) S.P. Vehari – Rs.9,100,000/-

18.04.2007 The Department explained that the para of same nature was discussed by the PAC-II in its meeting held on 30.5.2006 relating to SP special branch, Multan and was settled.

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

167. Para No.62 Pages 55 & 56 of Audit Report for the year 2001-2002; Irregular Expenditure on Account of Purchase of Various Items by Splitting up for Rs.2,120,629/-

(62.3) Superintendent District Jail Kasur – Rs.77,745/-

18.04.2007 The Department explained that the sales tax of Rs. 2,678/- had already been deposited and the balance items were exempted under the Sales Tax Act, 1990. Moreover, purchases were made within the competency on different dates during the period of 1997-2001.

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

(62.5) Superintendent Central Jail, Mianwali – Rs.126,488/-

18.04.2007 The Department explained that various type of fertilizers i.e. Urea and DAP were purchased according to need as and when required on the advice of Agricultural Department. It was also stated that the purchases were made on the different occasion within the competency.

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

168. Para No. 63 Page 56 for the year 2001-2002; Defective Mode of Payments for Rs.9,115,766/-

(63.1) Superintendent Central Jail, Lahore Rs. 5,903,947/-

(63.2) Superintendent District Jail, Bahawalnagar Rs. 1,965,603/-

31.05.2006 The Department explained that the Central Jail, Lahore was situated almost 25 kilometers away from the State Bank and payment drawn from State Bank was required to be deposited in the National Bank for preparation of pay order. Moreover, to

avoid any un-toward incident in the transportation of money payment was made on payment book duly signed by the Deputy Superintendent, Superintendent of Jail and after receipt on the appropriate revenue stamp paper.

The Committee accepted the explanation of the Department and **the paras were settled.**

169. Para No.63.3 Page 56 of Audit Report for the year 2001-2002; Defective Mode of Payments for Rs.9,115,766/-

S.P. Traffic Multan – Rs.164,319/-

170. Para No.65.19 Pages 58-60 of Audit Report for the year 2001-2002; Irregular Repair of Vehicles for Rs.8,990,960/-

Superintendent of Police, Mandi Bahauddin – Rs.804,271/-

18.04.2007 The Department explained that the para of same nature were settled by the PAC-II in its meeting held on 29.8.2005 and 31.8.2006 while considering the difficulty of department regarding payment through cheques/drafts.

The Committee accepted the explanation of the Department and **the paras were settled.**

171. Para No.63 Page 56 of Audit Report for the year 2001-2002; Defective Mode of Payments for Rs.9,115,766/-

(63.4) S.P. Special Branch, Multan-Rs.242,971/-.

30.05.2006 The Department explained that the State Bank of Pakistan had paid all the amount to the Department in cash, therefore all the payments were made to the payees in cash within the Municipal Corporation Limits. It was also stated that now the amount in excess of Rs.10,000/- would be paid according to the rules as pointed out by audit.

The Committee **settled the para subject to verification** of actual payees receipts by audit.

(63.5) S.P. Khanewal-Rs.838,926/-

31.08.2006 The Department explained that the para of the same nature for the year 1999-2000 was discussed by the PAC on 29.8.2005 and was settled by accepting the difficulties of the Department regarding payments through cheques/drafts.

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

172. Para No.64 Pages 56, 57 & 58 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.3,540,938/- Beyond Competency on Purchases of Various Items.

(64.2) S.P Khanewal-Rs.130,507/-

30.05.2006 The Department explained that the Superintendent of Police being an officer of category-II was competent to purchase Uniform articles upto Rs.50,000/- at a time and all the purchases were made under the competency but the audit contended that out of total purchase of Rs.130,507/- and expenditure of Rs.89,142/- was incurred by the officer of category-II on 26/6/2001 by drawing 04 bills.

The Committee **settled the para subject to** ex-post facto sanction by the competent authority.

(64.3) Superintendent District Jail Attock – Rs.1,095,709/-

18.04.2007 The Department explained that the para was discussed in the SDAC meeting held on 8&9.9.2003 and was settled after verification.

The para was settled.

(64.4) Superintendent District Jail, Sheikhpura Rs. 310,004/-

31.05.2006 The Department explained that the emergency medicines were purchased after fulfilling all the codal formalities.

The para was settled subject to verification of record by audit.

(64.7) Superintendent New Central Jail, Multan – Rs.56,430/-

18.04.2007 The Department explained that the repairs of tractor/trolley and official vehicle were carried out after obtaining NOC from the Assistant Agricultural (WS) Multan on various dates within competency after the approval of rates from the head Office to ensure maximum yield from the jail farms. Moreover, as per clarification of Finance Department issued vide dated 11.10.2000 that where rates contracts were approved by the competent authority and budget was specifically shown; DDO would be competent to make purchases according to his requirement.

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

(64.10) Superintendent Central Jail, Mianwali – Rs.107,398/-

18.04.2007 The Department explained that the tenders were invited through press and the rates were approved by the Superintendent Jail being category-III officer within the competency.

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

(64.12) Superintendent Central Jail, Lahore – Rs.469,500/-

18.04.2007 The Department explained that the para was discussed in the SDAC meeting held on 8&9.9.2003 and was settled after verification of record.

The Committee accepted the explanation of the department and **the para was settled.**

(64.15) SP Hafizabad-Rs.51,342/-

31.08.2006 The Department explained that the case for regularization of the irregular expenditure incurred by the DPO, Hafizabad had been submitted to the Home Department for onward transmission to the Finance Department on 10-5-2006 and a reminder had been issued on 05-7-2006.

The Committee was of the view that since the Department had admitted the irregularity, therefore, disciplinary action be taken against the concerned DDO for incurring the expenditure beyond competency.

The para was kept pending.

173. Para No.65 Pages 58 to 60 of Audit Report for the year 2001-2002; Irregular Repair of Vehicles for Rs.8,990,960/-.

(65.5) Secretary Home Department, Lahore Rs.488,090/-

31.05.2006 The Department explained that the expenditure was incurred on the repair of government vehicles after observing all the codal formalities.

The para was settled subject to verification of record by audit.

(65.13) S.S.P. Kasur-Rs.248,460/-

31.08.2006 The Department explained that the repair of prisoner van was got done after observance of all the codal formalities as mentioned in the standing order No. 20 issued by the IGP and also all the sanctions were obtained from the SP/DIG as per their competence.

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

(65.17) S.P. Lodhran-Rs.57,701/-.

29.05.2006 The Department explained that the NOC/NAC for repair of government vehicle No. LD 2838 was obtained and the case for *ex-post facto* sanction of competent authority had been referred to the FD on 2.5.2004.

The para was kept pending.

(65.18) Superintendent of Police, Khanewal-Rs.59,690/-

30.05.2006 The Department explained that the bill No.127 for Rs.59,690/- was drawn and spent on actual repair of government vehicle No. KW 2937 after fulfilling all the codal formalities.

The Committee **settled the para subject to verification** of log book by audit.

(65.24) Director Reclamation & Probation Punjab, Lahore Rs. 38,180/-

31.05.2006 The Department explained that the expenditure was made for the repair/maintenance of the government vehicles after observing all the codal formalities.

The para was settled subject to verification of certificate/NOC given by the head of Department by audit.

174. Para No.66 Pages 60 & 61 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.80,012,000/- on Purchase of Vehicles

18.04.2007 The Department explained that the vehicles purchased were actually replacement and the sanction strength duly approved by the Finance Department had been got verified by audit.

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

175. Para No.67 Page 61 of Audit Report for the year 2001-2002; Irregular Payment of Rs.144,000/- on Account of Rent of Building.

30.05.2006 The Department explained that the electricity expenditure had been adjusted with the WAPDA authorities and necessary adjustment certificate was available for verification.

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

176. Para No. 68 Page 62 of Audit Report for the year 2001-2002; Irregular expenditure of Rs.622,000/- on Account of Salary without Bonafide Duty

31.05.2006 The Department explained that the parole/probation officers posted at Sargodha, Khoshab, Bhakkar and Mianwali districts had performed their duties and there were no complaint against them from the concerned courts/Assistant Director

Reclamation & Probation Sargodha Division. The Department also submitted a statement showing the progress of probation work during the period of 7/97 to 6/2001.

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

177. Para No.70.2 Pages 63 & 64 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.5,372,963/- on the Repair of Building.

Superintendent of Police, Punjab Constabulary, Multan-Rs.55,000/-

178. Para No.74.2 Pages 67 & 68 of Audit Report for the year 2001-2002; Irregular Purchase of Stationery for Rs.1,921,705/-

Superintendent of Police, Punjab Constabulary, Multan-Rs.116,424/-

30.05.2006 The Department explained that an inquiry was conducted and the competent authority as per the inquiry report had taken disciplinary action against the defaulter officials who had resigned from the service and a case for ex-post facto sanction had been sent to the CPO, Lahore.

The Committee **kept the paras pending** with the directions that the recovery be made from the responsible officials as arrears of land revenue.

179. Para No.70 Pages 63 & 64 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.5,372,963/- on the Repair of Building

(70.1) Superintendent Central Jail, Lahore – Rs.520,475/-

18.04.2007 The Department explained that the matter was inquired into and as per finding of inquiry the case had been submitted to the Finance Department for regularization.

The para was kept pending.

(70.4) Superintendent District Jail, Muzaffargarh – Rs.50,000/-

18.04.2007 The Department explained that the rates of building material were got approved from the IG Prisons Punjab after observing the codal formalities and sanction was accorded under the Special Power granted to the IG Prisons as laid down under the Delegation of Financial Powers Rules 1990. Moreover, completion certificate was also obtained from the Provincial Building Department.

The Committee accepted the explanation of the department and **the para was settled.**

(70.6) Superintendent District Jail Mandi Bahauddin – Rs.955,731/-

18.04.2007 The Department explained that the case for regularization had been submitted to Home Department on 18.7.2006 and reminder had been issued on 14.4.2007.

The Committee **kept the para pending**.

180. Para No.71 Pages 64 & 65 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.15,900,464/- on the Account of Purchase of Dietary Items

(71.1) Superintendent New Central Jail Bahawalpur – Rs.2,678,862/-

18.04.2007 The Department explained that the case for regularization had been referred to the Finance Department.

The para was **kept pending** for regularization.

(71.3) Superintendent District Jail, M.B.Din – Rs.1,650,014/-

18.04.2007 The Department explained that all the purchases were made after observing the codal formalities. Dietary articles like milk, beef, ghee, Dal gram, Dal moong, firewood and wheat atta were purchased on contract/approved rates. However, few articles like turmeric, onion, sugar and other misc. articles were purchased locally on competitive rates as per rates of market committee keeping in view the principle of financial propriety.

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

(71.5) Superintendent District Jail Sargodha – Rs.366,607/-

18.04.2007 The Department explained that all the purchases were made on contract rates as per clarification by the Finance Department dated 11.10.2000.

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

181. Para No.72 Pages 65 & 66 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.3,109,915/- on Account of Payment to Contingent Paid Staff

(72.1) S.P. Layyah-Rs.116,475/-.

(72.2) S.S.P. Muzaffargarh-Rs.173,000/-

31.08.2006 The Department explained that the contingent paid staff was not appointed afresh. One sanitary worker/water carrier was deputed at each police station which was paid according to the rates fixed by the government for cleanliness and sanitation

purposes. Moreover, there was no ban on payments to contingent paid staff and continuation certificate was available.

The Committee accepted the explanation of the Department and **the paras were settled.**

(72.4) S.P. saahiwal-Rs.198,440/-

30.05.2006 The Department explained that contingent paid staff was not appointed afresh. One Sanitary Worker/Water Carrier was engaged at each Police Station, which was paid according to the rates fixed by the government for cleanliness and sanitation purpose. It was also stated that as per Finance Department letter dated 11/2/1997 there was no ban on payment to contingent paid staff. Continuation certificate was also available.

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

182. Para No.73 Pages 66 & 67 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.31,617,094/- Incurred Over and Above the Budget Allocation

(73.2) I.G. Police Punjab, Lahore – Rs.548,876/-

18.04.2007 The Department explained that the grant had been settled by the PAC while considering the appropriation accounts.

The Committee **settled the para** with the warning that such practice should be avoided in future.

(73.3) S.S.P. Jhang-Rs.4,505,271/-.

(73.7) S.P. Traffic Faisalabad-Rs.11,857,753/-.

31.08.2006 The Department explained that Rs.55242,433/- were demanded under head Pay & Allowances in the second statement of Excess & Surrender against which Rs.51,068,434/- were received. The Government had announced Rs.100/- as *ad hoc* relief for the employees of BS-1 to 16 which was also paid from 01/2000 to 6/2000 but the budget allocation for this expenditure was not released which resulted over payment of Rs.4,505,271/-. The Pay & Allowances could not be stopped therefore; payment beyond budget allocation was not intentional but unavoidable. Moreover, the appropriation accounts for the year had already been settled by the PAC.

The Committee accepted the explanation of the Department and **the paras were settled.**

(73.5) S.P. Sheikhpura Rs.5,031,450/-

26.02.2007 The Department explained that excess expenditure had been incurred on account of payment of Eid Allowance as per decision of the Government and the expenditure was inevitable.

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

(73.8) DSP Fingers Print Bureau, Lahore Rs.594,448/-

26.02.2007 The Department explained that funds had been demanded for pay & allowances through the 2nd statement of excess and surrender on 10.3.2001. However, the funds were received on 18th May 2001 and disbursed to the lower formations till June 2001. As such the Pay & Allowance could not be stopped and therefore the expenditure exceeded the budget allocation.

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

183. Para No.74.9 Pages 67 & 68 of Audit Report for the year 2001-2002; Irregular Purchase of Stationery for Rs.1,921,705/-.**S.P. (M.T) Punjab, Lahore-Rs.263,151/-.**

31.08.2006 The Department explained that the expenditure under head stationery charges was sanctioned on different dates by the SP/MT & DIG, Tele-Communication. All the sanctions worth Rs.10,218/- were within the competency. It was also stated that the case for regularization of expenditure of Rs.10,218/- had been submitted to the Home Department.

The para was settled subject to regularization.

184. Para No.81 Pages 71 & 72 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.3,309,800/-**185. Para No.105.10 Page 89 & 90 of Audit Report for the year 2001-2002; Non-Production of Record/Doubtful Payment of Rs.25,943,472/-****SSP, Lahore –Rs.5,964,599/-**

18.04.2007 The Department explained that the para of such nature i.e. 7.12 and 7.18 for the audit report of 2000-2001 had already been settled by the PAC-I. However, the department assured that the purchases would be made according to the purchase manual in future.

The Committee **settled the paras** with the condition that the purchase should be made in future as per conditions laid down in the purchase manual of the department.

186. Para No.82 Page 72 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.230,000/- on Hiring of Electric Fans.

31.08.2006 The Department explained that there was ban on the purchase of durable goods. Therefore, the case regarding grant of sanction for the payment of hiring charges of 85 fans was sent to the Home Department which granted the approval through supplementary grant and the same was endorsed by the Finance Department.

The para was settled subject to verification of record by audit.

187. Para No.83 Page 73 of Audit Report for the year 2001-2002; Irregular Auction for Rs.977,952/-

18.04.2007 The Department explained that as a result of drum beating through the Revenue Staff of the town as certified by the Tehsildar Sahiwal, auction proceedings were conducted on the pattern of announcing bid whereas number of parties participated and highest bid was recommended for approval by the IG Prisons, Punjab and thereafter sanctions accorded which were higher than the previous years. It was also stated that securities were also obtained from the participants and sale proceeds were deposited into government treasury.

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

188. Para No.85 Page 74 of Audit Report for the year 2001-2002; Irregular Grant of Computer Allowances Rs.122,439/-.

29.05.2006 The Department explained that the services of Mr. Abdul Jabbar Khan Niazi, Sub-Inspector were dismissed on 14-6-2001 and a sum of Rs.14,200/- had been recovered from Tahir Ahmed Rehan, Head Constable.

The para was kept pending with the directions that the recovery be got verified by audit and disciplinary action be taken against the concerned DDO under PRSO 2000 for granting irregular computer allowance.

31.08.2006 The Department explained that SI Abdul Jabbar Khan Niazi mentioned at serial No. 1 in the audit para proceeded on 120 days ex-Pakistan Leave w.e.f. 16.8.2000 to 15.12.2000. On expiry of leave he sent an application for further extension of leave for a period of 2 years which was extended for six months from 16.12.2000 to 13.6.2001, but at the expiry of this leave he did not turn back. Due to absence he was dismissed from Govt. Service w.e.f. 14.6.2001. It was further stated that many letters were sent at his home address for recovery of amount but the envelopes returned with the remarks that Mr. Jabbar Khan Niazi was not residing there and had proceeded to Canada. As his where

about were not known therefore the recovery from him was not possible. So for as the recovery from Mr. Tahir Ahmed Rehan was concerned, the total amount had been recovered and got verified by audit.

The Committee **settled the part** of the para to the extent of Mr. Tahir Ahmed Rehan, Head Constable and **kept the part of the para pending** related to Mr. Jabbar Khan Niazi, ex-SI with the directions that the recovery be made from him as arrears of land revenue.

189. Para No.88 Page 76 of Audit Report for the year 2001-2002; Undue Retention of Government Money Recovery of Rs.63,153/- on Account of Interest

18.04.2007 The Department explained that there was slight delay in deposit of Government money which was not liable to 18% interest and could be ignored due to prevailing circumstances.

The Committee **settled the para** with the direction that such lapse should not be repeated in future.

190. Para No.89 Pages 76 & 77 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.200,000/- on Account of Construction Recovery Thereof Rs.150,000/-

18.04.2007 The Department explained that the installation of temporary stall was got constructed through the contractor in the exhibition of National Horse & Cattle Show like other departments and committee consisting of six officers was constituted to handle the affairs. The amount was sanctioned for the construction of stall by the IG Prisons, Punjab under Special Powers as per lowest rate out of seven firms. During the period of exhibition 2000-2001, jail manufactured goods of Rs.598618/- were sold besides publicity of the jail manufactured articles. The officers of the Provincial Buildings Division, Lahore were also involved vide letter dated 29.01.2001 and being cheapest method; needful was done for the projection of the department.

The para was settled subject to regularization by the Finance Department.

191. Para No.90 Page 77 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.613,572/- on Account of Pay & Allowance Due to Change of Service Cadre.

29.05.2006 The Department explained that the issue pertained to the six constables whose cadre was changed from constable to constable driver by the concerned DPOs. However, now the PPO had issued orders on 16-8-2001 for stoppage of this practice.

The representative of the FD was of the view that the cadre could only be changed by the Administrative Department in consultation with the FD.

The para was kept the para pending for 30.5.2006 for further clarification by the Administrative Department.

On 30.5.2006, the Department could not produce any rule for change of cadre by the concerned DPOs.

The para was kept pending for regularization by the FD.

192. Para No. 95 Page 81 of Audit Report for the year 2001-2002; Loss of Rs. 1,432,080/- due to Non-auction of Canteen

(95.1) (AP No.3) Superintendent District Jail, Lahore Rs. 100,833/-

31.05.2006 The Department explained that the auction of jail canteen was made for the period upto 31-8-2000 and there after for contract, the Superintendent District Jail Lahore recommended highest bid of Rs.601000/- which was not approved by the competent authority and the Superintendent Jail was advised to enhance the bid through negotiations. As a result of negotiations, the jail authorities recommended negotiated amount of Rs.606000/- which was also not approved and re-auction of the canteen was made on 31.8.2000 through press and highest bid of Rs.620,500/- was approved by the competent authority. The canteen was also again remained closed for one month. The Department also stated that the matter was also discussed in the SDAC meeting held on 8-9/9-2003.

The Committee was not satisfied with the explanation of the department and desired that a fact finding inquiry be conducted by the Administrative Secretary in the case.

The para was kept pending.

(95.2) District Jail, Sargodha – Rs.126,270/-

18.04.2007 The Department explained that an inquiry was conducted and the amount as determined by the Inquiry Officer amounting to Rs. 13,333/- had been recovered from the contractor and remitted to the Head Office.

The para was settled to the extent of District Jail Sargodha and kept the remaining part pending for recovery.

(95.4) Superintendent of Police, Punjab Constabulary, Multan-Rs.276,477/-

30.05.2006 The Department explained that the said police line was situated in rural area at a distance of 26 kilometers from Multan. No private vending party was agreed to start his business to that rural area hence there was a regimental shop being run by the In-charge Regimental Fund to provide the items of daily use to Jawans of force on no profit & no loss basis.

The Committee **settled the para subject to verification** of rates list by audit.

193. Para No. 96 Pages 82 & 83 of Audit Report for the year 2001-2002; Irregular and Advance Payment on account of Electricity Charges Rs.6,668,562/-

(96.1) Superintendent District Jail, Lahore- Rs.5,999,984/- & Rs.42,000/-

18.04.2007 The Department explained that the total recovery had been effected.

The para was settled subject to verification of record by audit.

(96.2) District Jail, Bahawalpur Rs. 95,100/-

31.05.2006 The Department explained that the electricity bills for the month of June 2001 were not received, therefore, a manual bill duly stamped & signed by the Revenue Officer, WAPDA was paid on 23.6.2001. It was also stated that the excess payment of Rs.95,100/- was made inadvertently.

The Committee **kept the para pending** with the directions that the Secretary Home should probe the matter and if the excess payment was made deliberately than action be taken against the responsible officer/official.

(96.4) Deputy Inspector General of Police, Faisalabad-Rs.194,092/-.

30.05.2006 The Department explained that the matter had been taken up with the government of the Punjab, Home Department for regularization.

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

194. Para No.98 Pages 83 & 84 of Audit Report for the year 2001-2002; Abnormal Bill of Telephone Installed in the Office of Superintendent Recovery of Rs.151,167/-

31.08.2006 The Department admitted the irregularity and stated that inquiry would be made that who was responsible for sanctioning this telephone connection.

The para was kept pending with the directions that the recovery be made from the user of the telephone and disciplinary action be taken against the responsible officer, who had approved the installation of the telephone against the rules.

195. Para No.100 Page 85 of Audit Report for the year 2001-2002; Non-Disposal of Un-Repairable Vehicle Valuing Rs.1,500,000/-

18.04.2007 The Department explained that the bills relating to the repair of vehicles, history sheets and log books were available which clearly showed that the vehicles were repaired and the same were performing official duties.

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

**196. Para No.101 Pages 85 & 86 of Audit Report for the year 2001-2002;
Recovery Due to Un-Authorised Retention of Extra Vehicles Rs.248,136/-**

18.04.2007 The Department explained that the vehicle No. MNU 6361 was under the use of SSP and the other vehicle No. MNQ 1530 was being used for the escort duty of the VIP/VVIP and misc. security duties. The log books were available for verification.

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

**197. Para No.104 Pages 87 & 88 of Audit Report for the year 2001-2002;
Irregular Payment of Rs.957,290/- to WASA on Account of Water and
Charge Sanitation**

18.04.2007 The Department explained that the Deputy Director Revenue (WASA) LDA Lahore vide certificate No. dated 24.6.2006 confirmed that against Account No.91005229, Rs.435990/- were received and against Account No.91005216 Rs.521300/- were received on 28.6.2001 through National Bank of Pakistan from the Superintendent of District Jail, Lahore against sewerage and water cleaning charges for the period 1.7.2000 to 31.12.2001 and 1.1.2001 to 30.6.2001 respectively on the receipt of budget under the relevant head.

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

**198. Para No.105 Page 89 & 90 of Audit Report for the year 2001-2002; Non-
production of Record/Doubtful Payment of Rs.25,943,472/-.**

(105.11) S.P. Sahiwal-Rs.139,457/-

30.05.2006 The Department explained that the sales tax Department had been requested vide letter dated 22/10/2005 for recovery of sales tax from the concerned firms as per the directions of the PAC.

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

(105.12) I.G. Prison Punjab, Lahore – Rs.55,777/-

18.04.2007 The Department explained that all the advertisement in the press were made in connection with purchase of dietary articles, raw material for prisons industries and annual maintenance contract for Machinery & Equipments. However, on receipt of budget all the pending bills were cleared and all the contract were finalized.

The Committee accepted the explanation of the department and **the para was settled.**

(105.14) S.P. Vehari Rs.4,618,790/-

26.02.2007 The Department explained that para had already been settled in DAC meeting held on 10.9.2002 on the plea that funds were received from the Finance Department and IG Punjab to meet urgent requirements of the Vehari District during May 2002 as such no irregularity had taken place.

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

(105.15) Secretary Home Department, Lahore Rs. 76,428/-

31.05.2006 The Department explained that the POL was used according to the entitlement and log books were available for verification.

The para was settled subject to verification of record by audit.

(105.18) Probation Officer, Layyah Rs.649,792/-

31.05.2006 The Department explained that the requisite record had been got verified by audit.

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

(105.21) Assistant Director Reclamation & Probation, Multan Lacs of Rupees

31.05.2006 The Department explained that the amount and interest of the wages of paroles related to private accounts and were not auditable as per the government memo No. SO(R&P)3(23/62-11 dated 15.4.1992.

The para was kept pending for verification of departmental contention by audit.

**HOUSING, URBAN
DEVELOPMENT
&
PUBLIC HEALTH
ENGINEERING**

The paras were discussed in the meetings of PAC-II held on 27.04.2006, 28.04.2006, 29.04.2006, 30.10.2006 & 29.05.2007.

Audit Paras (Works) for the year 2001-2002
(AUTONOMOUS BODIES)

1. Para No.1 Pages 9 & 10 of Audit Report for the year 2001-2002; Overpayment of Rs.0.584 Million Due to Non-Utilization of Available Earth.

27.04.2006 The Department explained that the excavation of storm water drain consisted of the following two parts:-

A- the portion of drain which had come in the formation and above was
NSL=298059cft, vide MB No. 3527P

B- the portion of drain which had come under/beneath the NSL=955971cft,

It was also stated that due deduction had been effected/made as per provisions in the TS estimate.

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

2. Para No.2 Pages 10 & 11 of Audit Report for the year 2001-2002; Overpayment of Rs.0.975 Million Due to Excessive Measurements.

27.04.2006 The Department explained that the PC-I /estimate was prepared by taking the average depth of 2.50feet even before taking over the possession of the cultivated land/crops. However, certain quantities were changed which were covered in the revised TS but audit contended that the tender for the work could be called after obtaining administrative approval/TS estimate whereas in the instant case, the date of opening the tender was 5.8.1998 and the date of acceptance was 9.9.1998 which was against the standing instructions of B&R code.

The Committee **kept the para pending** with the directions that a fact finding inquiry be initiated in the case and responsibility be fixed within 90 days.

3. Para No.3 Pages 11 & 12 of Audit Report for the year 2001-2002; Overpayment of Rs.0.452 Million Due to Non-Utilization of Available Earth.

27.04.2006 The Department explained that all the earth obtained herewith below the NSL had been treated as local earth and no deduction on this account had been made as per provision in the TS estimate. Accordingly, the earth obtained from the trenches of sewer line and disposal station had been treated as local earth being beneath/below the NSL. Moreover, the work was executed strictly according to the provisions in the TS estimate.

The Committee **kept the para pending** for verification of record by audit.

4. Para No.4 Page 12 of Audit Report for the year 2001-2002; Overpayment of Rs.0.112 Million Due to Non-Utilization of Old Material.

28.04.2006 The Department explained that due to dismantling of 8577 cft. existing soling laid at the berm of Northern bypass passing through the Multan Model Town Housing Scheme, a quantity of 115790 bricks were obtained from the site of work. These bricks were stolen away and the recovery at the rate of 50% of average market rate which was approved by the Director Engineering MDA had been recovered from the 19th running bill of the contractor.

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

5. Para No.5 Page 13 of Audit Report for the year 2001-2002; Overpayment of Rs.0.176 Million on Account of Allowing Higher Rate.

27.04.2006 The Department explained that overpayment had been recovered by allowing correct rate in the final bill.

Audit contended that relevant MB should be produced for verification.

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

6. Para No.6 Page 14 of Audit Report for the year 2001-2002; Overpayment of Rs.0.294 Million on Account of Allowing Higher Rate.

27.04.2006 The Department explained that specifications for Rs.1156.30 had been erroneously typed whereas actual rate of Rs.1695.40 was incorporated in TS estimate. No wrong payment had been made to the contractor.

Audit stated that departmental contention of typing mistake had been verified and recommended the para for settlement.

The para was accordingly settled.

7. Para No.7 Page 15 of Audit Report for the year 2001-2002; Overpayment of Rs.0.652 Million on Account of Allowing Higher Rate.

AP 671 & 676

27.04.2006 The Department admitted that Rs.17,000/- were over paid and that would be recovered from the responsible officer/official.

The Committee **settled this AP subject to** recovery within 90 days.

AP 18

27.04.2006 The Department explained that the rates were provided in the technical sanction estimate and after addition of over head and profit, the rates were enhanced to Rs.24.5% with the approval of the Chief Minister Punjab only for FWO.

The Committee accepted the explanation of the department and **this AP was settled.**

8. Para No.8 Page 16 of Audit Report for the year 2001-2002; Overpayment of Rs.3.154 Million Due to Inclusion of Additional Overheads in the Analysis of Non-Schedule Rates.

27.04.2006 The Department explained that the Chief Minister Punjab had approved the payment of 12% above CSR 1988 to FWO and the provision for non-schedule items existed in TS estimate sanctioned by the competent authority.

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

9. Para No.9 Page 17 of Audit Report for the year 2001-2002; Overpayment of Rs.0.712 Million Due to Inclusion of Additional Overheads Charges in the Analysis of Non-Schedule Rates.

27.04.2006 The Department explained that the approval from the government for regularization of additional changes had been obtained and got verified by audit.

Audit verified the contention of the department and recommended the para for settlement.

The para was settled.

10. Para No.10 Page 18 of Audit Report for the year 2001-2002; Non-Adjustment of Advances Rs.3.477 Million.

27.04.2006 The Department explained that the award was not acceptable to the awardees and they had gone in the civil court.

The Committee **kept the para pending** being subjudice in the court of law.

11. Para No.11 Page 19 of Audit Report for the year 2001-2002; Non-Recovery of Rs.27.040 Million Due to Non-Imposition of Penalty.

27.04.2006 The Department explained that compensation for delay in the execution of the work had been effected @0.1% for the cost of balance work which was in accordance with the order of the competent authority.

Audit was of the view that although the cost of penalty was to be decided by the concerned engineer but the penalty had to be imposed on the total work/estimated cost.

The Committee **kept the para pending** with the directions that the department should make a reference to the Finance Department for clarification of the clause 39B of the agreement whether the penalty had to be imposed on the total work/estimated cost or on the balance work within a week and the Finance Department should decide the matter within 30 days.

12. Para No.12 Pages 20 & 21 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.848 Million on Account of Fixed Fee.

28.04.2006 The Department admitted the recovery and assured that the recovery would be affected within three months.

The para was kept pending.

13. Para No.13 Pages 20 & 21 of Audit Report for the year 2001-2002; Non-Recovery of Rs.1.434 Million from the Allottees at Enhanced Rate.

28.04.2006 The Department explained that the DG MDA had imposed the recovery on 20.3.2006 and that would be recovered within 90 days.

The para was kept pending with the directions that recovery be made within 90 days.

14. Para No.14 Pages 21 & 22 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.284 Million on Account of Penalty.

27.04.2006 The Department explained that the quantity of work had been enhanced and accordingly the time limit was also extended for ten days. The payment was released to the contractor after fulfilling all the codal formalities. Moreover, as the precautionary measures penalty of two days amounting to Rs.2,000/- had been recovered from the contractor's son, who himself had expired.

The Committee accepted the departmental explanation and **settled the para.**

15. Para No.15 Pages 22 & 23 of Audit Report for the year 2001-2002; Non-Recovery/Adjustment of Temporary Advance of Rs.0.133 Million.

28.04.2006 The Department explained that the amount of outstanding advances against the officers/officials of UD Wing had fully been adjusted and record had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

16. Para No.16 Pages 23 & 24 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.577 Million on Account of Penalty From the Owners.

28.04.2006 The Department explained that out of total recovery a sum of Rs.37,376/- was yet to be recovered. It was also stated that hectic efforts were being made to recover the balance amount.

The Committee **settled the para subject to** complete recovery and its verification by Audit.

17. Para No.17 Pages 24 & 25 of Audit Report for the year 2001-2002; Non-Recovery of Rs.1.677 Million on Account of Cost of Land and Development Charges

28.04.2006 The Department explained that Rs.664,969/- had been recovered and the government had extended time limits of building construction period with prescribed charges upto 30-6-2010 vide notification dated 3-8-2005.

The para was kept pending for verification by Audit.

18. Para No.18 Pages 25 & 26 of Audit Report for the year 2001-2002; Non-Recovery of Rs.4.300 Million on Account of Water Supply Connections.

27.04.2006 The Department explained that para comprised two advance paras:-

AP-4 The matter had been looked into by DMD (WASA) who concluded that director (O&M) WASA was required to recover the proportionate cost of infrastructure approximately Rs.3.4 million alongwith other utility charged.

AP-12 An inquiry committee had been constituted vide order dated 21-1-2006 and report thereon was still awaited.

The Committee kept the para pending for 28-4-2006 for further discussion.

On 28.4.2006, the Department explained that demand notices for Rs.840/- as water charges had been sent to the each allottee and other charges would be recovered in due course.

The Committee **kept the para pending** with the directions that the matter be inquired and responsibility be fixed for not obtaining the prior permission of the department for housing colonies.

19. Para No.19 Pages 26 & 27 of Audit Report for the year 2001-2002; Loss of Rs.1.603 Million Due to Non-Registration of Private Housing Schemes.

28.04.2006 The Department explained that the para was discussed in the DAC meeting held on 22/23-1-2003 in detail and the department were making all out efforts to take legal action against the defaulters/developers. It was also stated that when ever any illegal development was observed, notices were issued to the defaulters and challans were submitted in the courts of law. Notices were also issued from time to time in the newspaper, giving warning to the general public not to purchase plots in illegal housing schemes. The Department requested the PAC that the jurisdictional dispute between the TMAs and concerned development authorities be got resolved.

The Committee **kept the para pending** with the directions that the NOC granted by the authority be got verified by audit and a summary be submitted to the Chief Minister for resolving the jurisdictional dispute between the TMAs and Development Authorities.

20. Para No.20 Pages 27 & 28 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.0.381 Million Due to Splitting of Works.

27.04.2006 The Department explained that the work was not splited but repair, maintenance and purchases were made by different sub-divisions on emergency basis and all the codal formalities were observed.

The Committee **settled the para** with the directions that department should adopt proper procedure for purchase at rate contract in future.

21. Para No.21 Page 29 of Audit Report for the year 2001-2002; Unauthorized Expenditure Rs.0.261 Million Due to Use of POL in Excess of Ceiling.

27.04.2006 The Department explained that the record pertaining to an amount of Rs.155,729/- had been verified by audit and efforts were being made for verification of balance amount involved in the para.

Audit contented that departmental contention was not justified as the officers had utilized the POL beyond their prescribed ceiling.

The Committee directed the department to effect recovery of excess-POL beyond prescribed ceiling from the concerned persons.

The para was kept pending.

Public Health Engineering Department

22. Para No.4 Page 11 & 12 of Audit Report for the year 2001-2002; Overpayment of Rs.0.060 Million on Account of Allowing Higher Rate.

30.10.2006 The Department explained that the recovery was being effected from the dues and security deposit of the contractor.

The para was kept pending with the directions that the complete recovery be effected within 30 days.

23. Para No.5 Pages 12 & 13 of Audit Report for the year 2001-2002; Overpayment of Rs.0.602 Million on Account of Allowing Higher Rate.

28.04.2006 The Department explained that on the representation by the inhabitants of the village for carrying out the work on the left over area, the Administrative approval was second time revised and estimate was sanctioned for Rs.4.536million by the concerned SE on 17.7.2001. It was also stated that the matter was also probed by the SE PHE Circle Gujranwala and it was established that the work had been enhanced as per provisions of para 6.24 PWD Manual.

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

24. Para No.6 Pages 13 & 14 of Audit Report for the year 2001-2002; Overpayment of Rs.0.125 Million Due to Incorrect Measurements.

28.04.2006 The Department explained that the measurement of brick soling had been made in accordance with the CSR-1998 page 5 read with page 128 i.e. 0.375ft which was quite in order and no over payment was involved. Whereas, audit contended that as per the clarification of Finance Department vide A&C No. 13 thickness of brick was required to be measured as 0.359ft. Hence the payment made over and above the 0.359ft be made from the responsible.

The Committee kept the para pending for 29.4.2006 with the direction that the Finance Department should clarify the position.

On 29.4.2006, the representative of Finance Department informed the Committee that the matter was referred to Finance Department by the Secretary, HUD&PHE vide No. SO(PAC-I-56/2000(P-II) dated 4.4.2005. The Finance Department examined the issue and clarified vide its letter No. RO(TECH)FD-52/2005 dated 19.4.2005 that “nominal thickness i.e. 4-3/8” (0.364ft) of bricks shall be taken for the purpose of measurement”.

The Committee accepted the view point of the Finance Department and kept the para pending with the directions that the payment made over 0.364ft be made from the responsables.

30.10.2006 The Department explained that actual recovery amounting to Rs.87,657/- had been effected and got verified by audit.

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

25. Para No.7 Page 14 of Audit Report for the year 2001-2002; Overpayment of Rs.0.208 Million Due to Excessive Quantities.

30.10.2006 The Department explained that an inquiry was conducted into the matter and the inquiry officer had concluded that the deviation of quantity was to be approved from the competent authority and the Divisional Officer was responsible for this irregularity. However, there was no loss to the government. The Department further stated that as per recommendations of inquiry officer necessary action was being taken against the responsible officers/officials.

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

26. Para No.8 Page 15 of Audit Report for the year 2001-2002; Overpayment of Rs.0.141 Million on Account of Allowing Higher Rate.

30.10.2006 The Department explained that total recovery of Rs.141,238/- had been effected and got verified by audit.

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

27. Para No.9 Pages 15 & 16 of Audit Report for the year 2001-2002; Overpayment of Rs.0.153 Million on Account of Allowing Higher Rate.

30.10.2006 The Department explained that complete record in support of its contention had been got verified by audit.

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

28. Para No.10 Page 17 of Audit Report for the year 2001-2002; Overpayment of Rs.0.208 Million Due to Non-Utilization of Old Material.

30.10.2006 The Department explained that payment had been made in accordance with the provision of TS estimate and no irregularity had been committed. Moreover, the facts had also been got verified by audit.

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

29. Para No.11 Page 18 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.062 Million on Account of Embezzlement by the Officials.

30.10.2006 The Department explained that complete recovery of Rs.62,000/- had been effected from the two officials involved in the embezzlement of the Government Revenue and action was also being taken against them.

Audit contented that Sub-Divisional Officer was responsible for non-maintenance of cash book.

The Committee kept the para pending with the directions that necessary action be taken in the matter, covering all aspects of the case within 90 days.

29.05.2007 The Secretary to the Committee informed that the para was discussed on 24.05.2007 and was kept pending for reconciliation between audit and the department.

The Department explained that as per clarification of the Finance Department the penalty would be effected on the total estimated costs.

Audit stated that as per clarification of the Finance Department, the penalty for delay in the execution of work had been worked out and that was 27.04 million.

The Committee agreed with the calculation/contention of audit and desired that recovery of Rs.27.04 million be made from the contractor at the earliest.

The para was kept pending.

30. Para No.12 Page 19 of Audit Report for the year 2001-2002; Non-Recovery/ Adjustment of Rs.1.346 Million.

30.10.2006 The Department explained that an inquiry was conducted into the matter and as per findings action was being taken against the responsables. Moreover, Tehsil Municipal Administration Kamalia was being pursued vigorously for deposit of the excess expenditure incurred on the sewerage scheme.

The para was kept pending with the directions that complete recovery be effected and disciplinary action be taken against the responsible persons within 90 days.

31. Para No.13 Pages 19 & 20 of Audit Report for the year 2001-2002; Non-Recovery/ Adjustment of Rs.0.489 Million.

30.10.2006 The Department explained that after devolution, the DDO powers of the officer of the PHE Department had also ceased to exist and therefore no action was possible for clearance of PWA Misc. advance. As such there was no loss to the government but there was misappropriation in various heads of accounts.

Finance Department contented that in case of unlawful expenditure, adjustment was not possible.

The Committee directed the department to effect recovery and take disciplinary action against the officers responsible for misappropriation within 90 days.

The para was kept pending.

32. Para No.14 Pages 20 & 21 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.050 Million on Account of Violation of the Terms and Conditions of Acceptance Letter.

30.10.2006 The Department explained that an inquiry was conducted into the matter and the probing officer had recommended disciplinary action against the defaulting officer responsible for the lapse. However complete recovery had been effected and the final bill of the contractor had not yet been paid.

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

33. Para No.15 Page 21 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.290 Million on Account of Non-Utilization of Old Material.

30.10.2006 The Department explained that material was handed over to MC along with the restoration charges and the Tehsil Nazim was fully competent to propose the restoration by MC/TMA and the department had to accept his proposal.

The Committee accepted the departmental reply and **settled the para subject to verification** of requisite record by audit.

34. Para No.16 Page 22 of Audit Report for the year 2001-2002; Non-Maintenance of Stock Account of Rs.1.723 Million.

30.10.2006 The Department explained that an inquiry was conducted into the matter and the inquiry officer had concluded that the Sub-Divisional Officer and Sub-Engineer were responsible for this irregularity. However, audit contended that physical verification of the store was required in the matter.

The para was kept pending for verification of requisite record/store by audit within 90 days.

35. Para No.17 Page 23 of Audit Report for the year 2001-2002; Non-Accountal of Rs.0.650 Million.

30.10.2006 The Department explained that work had been executed at Sahiwal city and five tube-wells had been installed along with pumps house and pumping machinery and no old machinery had been removed from the site.

The para was kept pending for verification of departmental contention by audit.

36. Para No.18 Pages 23 & 24 of Audit Report for the year 2001-2002; Non-Forfeiture of Security Deposits of Rs.0.116 Million.

30.10.2006 The Department explained that the contracts had been rescinded and the security deposit of the contractor had been forfeited. Moreover, after devolution of the department on 30.6.2002 no work had been executed.

The para was kept pending for verification of requisite record by audit.

37. Para No.19 Pages 24 & 25 of Audit Report for the year 2001-2002; Non-Evaluation of Surplus Stores of Rs.0.563 Million.

30.10.2006 The Department explained that an inquiry was conducted into the matter and the surplus and unserviceable material amounting to Rs.127,194/- had been auctioned by TMA Khoshab and deposited into the government treasury.

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

38. Para No.20 Pages 25 & 26 of Audit Report for the year 2001-2002; Unjustified Payment of Rs.0.114 Million on Account of Special Repair for Handed Over Schemes

30.10.2006 The Department explained that an expenditure of Rs.0.114 million was incurred on special repair of schemes which were handed over to the users committees on the assurance of department that necessary repair of tube-wells would be conducted on availability of maintenance funds. The expenditure had been incurred after observing all the codal formalities on receipt of funds and the facts had also been got verified by audit.

On recommendation of audit, the para was settled

39. Para No.21 Pages 26 & 27 of Audit Report for the year 2001-2002; Non-Auction of Vehicles of Rs.0.200 Million.

30.10.2006 The Department explained that matter had been probed into by SE, PHE Sargodha, who concluded that two numbers of government vehicles mentioned in the audit observation were never received by the PHE, Division Khushab and the truck No. SGA 3429 had been auctioned for Rs.46,000/- which had been deposited into government treasury.

The para was conditionally settled subject to verification of department contention by audit.

40. Para No.22 Pages 27 & 28 of Audit Report for the year 2001-2002; Unjustified Payment of Rs.1.315 Million Due to Unauthentic Measurements.

30.10.2006 The Department explained that measurements recorded by the Sub-Engineer had been countersigned by the sub-Divisional Officer, which had also been got verified by Audit.

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

41. Para No.23 Pages 28 & 29 of Audit Report for the year 2001-2002; Unjustified Payment of Rs.3.848 Million Due to Execution of Work Below Specification.

30.10.2006 The Department explained that an inquiry was conducted into the matter and the probing officer reported that the payment was made to the concerned contractor after getting the hydraulic test certificate from the consulting firm. However, audit contended that the consultant had proved through the test that AC pipe was used by the contractor under specification and proposed reduction in the rate.

The Committee directed the department to probe into the matter and submit a report to the PAC within 90 days.

The para was kept pending.

42. Para No.24 Pages 29 & 30 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.721 Million Against the Provision of Technical Sanctioned Estimate

30.10.2006 The Department explained that work had been got executed as per requirements at site and the expenditure had been incurred within the provision of TS estimate. As such no irregular payment was involved in the matter.

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

43. Para No.26 Page 31 of Audit Report for the year 2001-2002; Undue Financial Aid of Rs.4.442 Million on Account of Release of Security Deposit.

30.10.2006 The Department explained that all the securities had been released after satisfaction of the Engineer Incharge, however, the same should not be released till the completion of maintenance period. As such the irregularity was accepted.

The Committee **kept the para pending** with the directions that an inquiry be conducted into the matter within 90 days under intimation to the PAC.

44. Para No.29 Pages 33 & 34 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.169 Million Against the Provision of Technical Sanctioned Estimate

30.10.2006 The Department explained that an inquiry was conducted into the matter which revealed that the quantity had increased or decreased within 10% ceiling of administrative approval and TS estimate as per site requirements and the deviation of quantities had been approved by the competent authority. As such no irregular payment was involved in the matter.

The Committee accepted the departmental explanation and **settled the para.**

45. Para No.31 Page 35 & 36 of Audit Report for the year 2001-2002; Irregular Technical Sanction of Rs.2.747Million.

30.10.2006 The Department explained that due to unhygienic conditions, certain adjustments were made in the scheme and total expenditure of the scheme was Rs. 2,656,814/- which was below the administrative approval. However, audit contended that the department had made changes in the scope of the work and *ex-post facto* sanction was required in the matter.

The **para was kept pending** for *ex-post facto* sanction by the competent authority.

**INDUSTRIES
&
MINERAL
DEVELOPMENT**

The paras were discussed in the meetings of PAC-II held on 29.08.2006, 30.08.2006, 16.03.2007 & 17.03.2007.

Audit Paras (Commercial) for the year 2001-2002

1. Para No.59 Page 67 of Audit Report for the year 2001-2002; Working Results

29.08.2006 The Department explained that the said centre had been closed and efforts were being made to trace out the record and accounts would be submitted at the earliest.

The Committee **kept the para pending** with the directions that the accounts be compiled and submitted to the audit within 60 days.

2. Para No.60 Page 68 of Audit Report for the year 2001-2002; Working Results

29.08.2006 The Department explained that the accounts for the year 2000 to 2002 had been submitted to the audit on 02.09.2005.

The Committee **settled the para** with the directions that the accounts be submitted well in time in future.

3. Para No.61 Page 69 of Audit Report for the year 2001-2002; Working Results.

29.08.2006 The department explained that slight delay in submission of accounts had occurred due to non-availability of skilled accountant.

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

4 Para No.62 Page 70 of Audit Report for the year 2001-2002; Working Results.

29.08.2006 The Department explained that due to non-availability of skilled staff the said accounts were not prepared and submitted to audit well in time. However, the said accounts had been submitted to the audit on 4.4.2002.

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

5. Para No.63 Page 71 of Audit Report for the year 2001-2002; Working Results.

29.08.2006 The Department explained that this para was discussed in the audit report 2000-2001 by the PAC-I meeting held on 15-2-2006 and was settled.

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

6. Para No.64 Page 72 of Audit Report for the year 2001-2002; Working Results

29.08.2006 The Department explained that the accounts of the Corporation had already been submitted to the audit on 14-7-2004.

The Committee **settled the para** with the directions that the accounts be submitted well in time in future.

7. Para No.65 Page 73 of Audit Report for the year 2001-2002; Working results

29.08.2006 The Department explained that the accounts for the year had been approved by the PSIC and submitted to the audit.

Audit verified the contention of the Department and recommended the para for settlement.

The Committee **settled the para** with the directions that accounts be submitted upto target date in future.

8. Para No.66 Pages 74 & 75 of Audit Report for the year 2001-2002; Working results

29.08.2006 The Department explained that so far working result of the Corporation as compared to the previous year was concerned; gross profit had been increased by 14.07% against the sale increase of 5.3%. Moreover, the PSIC was not a commercial organization; its activities were essentially promotional in nature and meant to facilitate small entrepreneurs and craftsman.

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

9. Para No.67 Page 75 of Audit Report for the year 2001-2002; Working results

29.08.2006 The Department explained that the decrease in interest income was due to decrease of bank and National Saving Centre interest rate. It was also stated that the department had invested in the Defence Saving Certificate which were earning higher returns. The Defence Saving Certificates were matured and cashed during the year.

The representative of Finance Department was of the view that the amount should be disbursed instead of putting in the banks.

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

10. Para No.68 Page 75 of Audit Report for the year 2001-2002; Working results

29.08.2006 The Department explained that the major un-reconciled amount related to the current account maintained among different service centers, projects and PSIC head office. These service centers had been transferred to TEVTA who had been requested to get their accounts reconciled with PSIC.

The para was kept pending for 30-8-2006 for comments of the TEVTA.

On 30-8-2006, the Chairman of TEVTA informed the Committee that the authority had submitted the reconciled accounts to PSIC on 25-8-2006.

The para was kept pending.

11. **Para No.69 Page 75 of Audit Report for the year 2001-2002; Working results**

12. **Para No.72 Page 76 of Audit Report for the year 2001-2002; Working results**

13. **Para No.77 Page 79 of Audit Report for the year 2001-2002; Loss of Rs.0.964/- Million Due to Incurring wasteful Expenditure On the Establishing of Small Industries state At Burewala.**

14. **Para No.80 Pages 81 & 82 of Audit Report for the year 2001-2002; Loss of Rs.130,000/- Due to Fraudulent Redemption of Mortgaged Documents to the Loanes**

29.08.2006 The Department explained that the observation of the audit department had been addressed in the above mentioned paras and record had been got verified by audit.

On the recommendation of audit, **the paras were settled.**

15. **Para No.70 Page 75 of Audit Report for the year 2001-2002; Working results.**

29.08.2006 The Department explained that the finish goods as pointed out by audit had been sold out on June 30, 2001. Mostly finish goods were held by Pakistan Handicraft Shop and this was regular element of PSIC accounts.

The Committee **settled the para** with the directions that the detail of stock be provided to audit.

16. **Para No.71 Pages 75 & 76 of Audit Report for the year 2001-2002; Working results**

29.08.2006 The Department explained that the Sundry Debtors was regular element of PSIC account. Efforts were being made to keep them at minimum and the Sundry Debtors were reduced to 25.7 million by the end of 2003-04.

The Committee **settled the para subject to** provision of detail of Sundry Debtors with aging and recovery be made at the earliest.

17. **Para No.73 Page 76 of Audit Report for the year 2001-2002; Working results.**

29.08.2006 The Department explained that the department prepared these accounts according to general accepted accounting practices. The same were audited by Professional Chartered Accountants and upon their suggestions improvements were made

continuously. We had entered into a project with Punjab Information Technology Board (PITB) for complete computerization of all PSIC accounts for which necessary hardware had been provided and in place, whereas software was being developed by the PITB.

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

18. Para No.74 Page 77 of Audit Report for the year 2001-2002; Non-Recovery of Rs. 2.371/- Million Paid in Excess Being Cost of Land.

29.08.2006 The Department explained that the Revenue Department, Gujrat was requested to intimate compact piece of land for the establishment of Small Industries Estate. The Revenue Department confirmed the availability of land in the Village Sydhry, Deona & Juliani, therefore, the Regional Director, PSIC, Gujranwala requested the Land Acquisition Collector/District Coordination Officer, Gujrat to depute the concerned staff for the completion of acquisition proceedings & after completion of all formalities satisfactorily as required under the Land Acquisition Act, the Revenue Department worked out the cost of land in the above mentioned villages and asked us to deposit a sum of Rs.9493,134/- for the acquisition of land measuring 1010 Kanals and 10 Marlas after the issuance of notification under Section-4 of Land Acquisition Act published in the Gazette Notification during 1992. It was also stated that accordingly a sum of Rs. 9,493,134/- was deposited in Government Treasury on 02-12-1992. After this a notification under Section 17(4 & 6) for 1010 Kanals & 10 Marlas (956 Kanals 3 Marlas & 56 Kanals 7 Marlas) was issued by the Revenue Authorities Gujrat but award was announced for land measuring 840 Kanals 19 Marla on 16-12-1994 instead of 1010 Kanals 10 Marla.

However, the Revenue Authorities could not transfer the possession of the land to PSIC in spite of the fact that PSIC had been pursuing the case vigorously. Subsequently, upon a summary on February 2003 the Chief Minister had directed that an alternate site be indicated in coordination with the District Administration. In consequence there upon alternate site had been selected.

Audit verified the contention of the Department and recommended the para for settlement.

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

19. Para No.75 Pages 77 & 78 of Audit Report for the year 2001-2002; Doubtful Recovery of Loans Amounting to Rs.4.310/- Million from the Loanees

29.08.2006 The Department explained that out of 13 loanees defaulters 9 had cleared their dues and the same had been deposited. Efforts were being made to recover the balance amount of Rs.760,000/-.

The Committee **kept the para pending** with the directions that the recovery be made at the earliest.

20. Para No.76 Page 78 & 79 of Audit Report for the year 2001-2002; Doubtful Recovery of Loans Amounting to Rs.8.255/- Million from Ex-MNA/ MPA/ Political Person and Their Relatives.

29.08.2006 The Department explained that out of 19 loanees 13 had cleared their dues and the same had been got verified by audit. Efforts were being made for the balance recovery of Rs.2.4 million

The Committee **kept the para pending** with the directions that the recovery be made as arrears of land revenue from the defaulters.

21. Para No.78 Page 80 of Audit Report for the year 2001-2002; Shortages of Rs. 5.70/- Million Due to Discrepancies Between Accounts & Assets Inventory

29.08.2006 The Department explained that in fact there was not shortage but it was a matter of only reconciliation/adjustment of assets between store inventories and value of stock appearing in the books of account. The Department had appointed the professional Chartered accountant to carry out the assignment of valuation and physical verification of assets and store of stocks. The report of the Chartered Accounts was available for verification.

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

22. Para No.79 Page 81 of Audit Report for the year 2001-2002; Loss of Rs.394,835/- Due to Non-Recovery of Long Outstanding Advances from Ex-Employees/Ex Deputationists/Employees.

29.08.2006 The Department explained that an amount of Rs.121,954/- had been recovered/adjusted. On a query from the Committee, the Department stated that the balance advances were made to the ex-employees and ex-deputationist in the head of TA/DA and POL.

The Committee **kept the para pending** with the directions that an inquiry be initiated in the matter and responsibility be fixed for making advances in the TA/DA and POL within 90 days.

23. Para No.81 Pages 82 & 83 of Audit Report for the year 2001-2002; Extention of Undue Favoritism in Granting of Loans and Non-Recovery of Rs.1.533/- Million

29.08.2006 The Department explained that both the projects i.e. M/s. Allied Engineering Works and M/s. United Ch. Plastic Industries were put into open auction on 18-6-2005 to recover PSIC dues but no bidder came to participate in the auction. Now the case had been referred to the Banking Court for recovery under the Financial Institutions, (Recovery of Finance Ordinance 2001).

The para was kept pending.

24. Para No.96 Page 111 of Audit Report for the year 2001-2002; Working Results

29.08.2006 The Department explained that the accounts for the year had been submitted to the audit on 04.8.2006.

The Committee **settled the para** with the directions that the accounts be submitted well in time in future.

Audit Paras (Civil) for the year 2001-2002**1. Para No.1 Page 9 of Audit Report for the year 2001-2002; Non Deposit/ Non Accountal of Money/ Stores Valuing Rs.1,965,701/-**

30.08.2006 The Department explained that out of 58 items of the stores 52 had been got verified by audit and the record regarding the balance 6 items was available for verification.

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

2. Para No.2.1 Page 10 of Audit Report for the year 2001-2002; Less/ Non-Deposit of Tution Admission Fee of Rs.1,193,622/-**Government Technical Training Center (Boys), Multan –Rs.888,429/-**

30.08.2006 The Department explained that dues had been collected from the trainees at the time of fresh admission, when the trainees after six months were promoted to second semester admission fee, registration fee were not collected again from them. The Attendance register and enrollment register was available for verification.

The para was kept pending for verification of record by audit.

3. Para No.2 Page 10 of Audit Report for the year 2001-2002; Less/ Non-Deposit of Tuition Admission Fee of Rs.1,193,622/-**(2.2) Government Vocational Training Institute, Multan –Rs.164,191/-****(2.3) Government Vocational Training Institute, Muzaffargarh – Rs.41,082/-****4. Para No.11 Pages 16 & 17 of Audit Report for the year 2001-2002; Irregular/ Unjustified Drawl of Daily Allowance Recovery of Rs.225,040/-**

5. Para No.30 Page 29 & 30 of Audit Report for the year 2001-2002; Recovery of Penal Rent Rs.95,130/- for Unauthorized possession of Principal House

30.08.2006 The Department explained that the audit observation in the above mentioned paras had been properly addressed and got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The paras were settled.

6. Para No.3 Pages 10 & 11 of Audit Report for the year 2001-2002; Less Deposit of Student Funds Rs.825,773/-

(3.1) Government Technical Training Center (Boys), Multan – Rs.717,789/-

30.08.2006 The Department explained that funds (Welfare funds, printing charges and maintenance charges) were collected at the time of fresh admission on semester basis. When the trainees were promoted to the second semester their might occur a short fall in number of trainees thus the amount of fee would automatically reduced. The enrollment register and attendance register were available for verification.

The Committee **kept the para pending** with the directions that the department should inquire the matter and fixed the responsibility if the funds were collected and not deposited into government treasury.

(3.2) Government Vocational Training Institute Multan – Rs.107,984 /-

30.08.2006 The Department explained that the students fund i.e. repair of machinery, welfare and sports, security and printing material were collected during the period from 7/97 to 6/2001 were Rs.302,730/- instead of Rs.442,790/- as pointed out by audit. The actual collected amount had already been deposited in the relevant bank accounts. The record of the institution along with deposit challans was available for verification.

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

7. Para No.4 Page 11 of Audit Report for the year 2001-2002; Non-Accountal of Store/Stock Articles Rs.520,404/-

(4.1) Government Technical Training Center Sargodha – Rs35,327/-

30.08.2006 The Department explained that Rs.11,598/- had been recovered from Mr. Muhammad Rasheed, Store Keeper and Rs.18,230/- as cost of VCR were outstanding Mr.

Muhammad Saddique, Shop Assistant, who had provided the VCR to the Inquiry Committee. Rs.2,365/- were outstanding against Mr. Muhammad Khalil, Junior Trade Instructors who had been retired from service.

The Committee **kept the para pending** with the directions that the balance amount be recovered from the pension of the responsible official within 90 days.

(4.2) Government Vocational Training Institute, Bahawalpur – Rs.60,349/-

30.08.2006 The Department explained that an inquiry was conducted into the matter and the Inquiry Committee had reported that the some items worth Rs.27,565/- which were shown short in the stock were available in the store and Rs.20,958/- had been recovered. Efforts were being made for the balance recovery.

The Committee **kept the para pending** with the directions that the balance recovery be made within 60 days.

(4.3) Government Vocational Training Institute, Multan – Rs.427,728 /-

30.08.2006 The Department explained that the total recovery had been made and deposited into the government treasury.

The para was settled subject to verification of record by audit.

8. Para No.5 Page 12 of Audit Report for the year 2001-2002; Theft of Electric Transformer and Meters Valuing Rs.514,000/-

30.08.2006 The Department explained that electronic material (transformer and electric meters) were removed by the GEPCO from the institution and the same had been admitted by Executive Engineer, GEPCO Ltd. Division Wazirabad.

The Committee **kept the para pending** with the directions that inquiry be conducted into the matter whether the electronic material was removed from the institution or the residential colony.

9. Para No.6 Page 13 of Audit Report for the year 2001-2002; Non-Accountal of Stores/Stock Articles Rs.177,780/-

30.08.2006 The Department explained that cloth/all other relevant material required to the dress designing and dress making shop were issued for training purpose of the new/raw handed students. In the beginning of session mostly material was wasted during the training of raw hand students. During the financial year, the institute arranged Mena Bazars for publicity of the institute work and some persons purchased the dresses and the amount was deposited into government treasury. It was also stated that the mostly dresses

due to prepared by the raw hand students and out of date and fashion could not sale out. However, all items had been entered in the relevant shop register and record was available for verification.

The para was kept pending for verification of record by audit.

10. Para No.9 Page 15 of Audit Report for the year 2001-2002; Less Deposit of Rs.54,640/-

30.08.2006 The Department explained that the actual amount was Rs.51,605/- instead of Rs.54,640/- which had been recovered and deposited into the government treasury. It was also stated that the responsible official had been compulsory retired from service w.e.f. 29.6.2002.

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

11. Para No.10 Page 16 of Audit Report for the year 2001-2002; Irregular Drawl of House Rent Allowance – Recovery of Rs.257,431/-

30.08.2006 The Department explained that actually it was a quarter which was constructed to utilized the funds by the than Project Director at the time of execution of scheme. The said quarter was not mend and designated residence for the Principal, Government Vocational Training Institute for Women, DG Khan as clarified by the Regional Director of Technical Education, Multan dated 21.01.1997.

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

12. Para No.12 Page 17 of Audit Report for the year 2001-2002; Non/ Less Deduction of 5% House Rent and Irregular Payment of House Rent Allowance – Recovery of Rs.79,853/-

(12.1) Government Vocational Training Institute, Multan – Rs.52,092/-

30.08.2006 The Department explained that the officer concerned had already less drawn the House Rent Allowance and 5% of House Rent (Maintenance Charges) through his pay bills from 1.7.96 to 31.12.1997. However, the recoverable amount had already been recovered and got verified by audit.

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

(12.2) Government Technical Training Center (Boys), Khanewal Road, Multan Rs.27,761/-

30.08.2006 The Department admitted that the objection was valid and stated that the recovery would be made at the earliest.

The para was kept pending for recovery.

13. Para No.13 Page 18 of Audit Report for the year 2001-2002; Irregular Payment of House Rent Allowance Amounting to Rs.75,296/-

30.08.2006 The Department explained that the Government Institute of Technology, Gujranwala (Jaura) was situated in the far flung area and there was no residence for Warden in the Institute. Moreover, the colony residence was not handed over by the Building Department to the Principle.

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

14. Para No.14 Pages 18 & 19 of Audit Report for the year 2001-2002; Irregular Drawl of Conveyance Allowance – Recovery of Rs.57,884/-

30.08.2006 The Department explained that Mr. Muhammad Ashraf performed the duties as Principal, Government Technical Training Institute Mughalpura w.e.f. 1.7.1998 to 18.12.1998 and the said officer had not drawn conveyance allowance during the said period.

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

15. Para No.15 Page 19 of Audit Report for the year 2001-2002; Irregular Payment of Conveyance Allowance – Recovery of Rs.28,022/-

30.08.2006 The Department explained that Rs.19,337/- had been recovered and got verified by audit. Efforts were being made for the balance recovery.

The Committee **reduced the para** to the extent of recovery and directed that the balance amount be recovered within 90 days.

16. Para No.16 Page20 of Audit Report for the year 2001-2002; Irregular Drawl of Conveyance, House Rent Allowance and Non-Deposit of 5% of Pay As House Rent Recovery of Rs.224,982/-

30.08.2006 The Department explained that an inquiry had been initiated into the matter and the action would be taken as per finding of the inquiry.

The Committee **kept the para pending** with the directions that the inquiry be finalized within 60 days.

17. Para No.17 Page 21 of Audit Report for the year 2001-2002; Shortage of Material Worth Rs.140,467/-

30.08.2006 The Department explained that an amount of Rs.1,738/- was regularly being deducted from the pay of the concerned official and Rs.74,734/- had been recovered so far.

The para was kept pending for balance recovery.

18. Para No.18 Pages 21 & 22 of Audit Report for the year 2001-2002; Recovery of Rs.120,515/- Cost of Stock Items Found Short During Physical Verification of stores

30.08.2006 The Department explained that an inquiry committee was constituted to inquire the matter of short items of stores and the said committee had reported that items of store worth Rs.62,301/- were available with the main store and the items of store amounting to Rs.58,214/- were stolen from the institute and an FIR was lodged with the Police Station, Mughalpura, Lahore on 16.1.1999.

The para was kept pending with the directions that the matter with the police authority be pursued.

19. Para No.19 Page 22 of Audit Report for the year 2001-2002; Recovery of Rs.64,675/- on Account of Shortage of Items.

30.08.2006 The Department explained that an amount of Rs.44,342/- had been recovered and deposited into the government treasury. While the material worth of Rs.19,430/- had been received back from the responsible officials. The record was available for verification.

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

20. Para No.20 Page 23 of Audit Report for the year 2001-2002; Misuse of Electricity – Recovery of Rs.1,431,518/-

(20.1) Government Technical Training Center, Sargodha

(20.2) Government Technical Training Center, Joharabad

(20.3) Government Vocational Training Institute Bahawalpur

30.08.2006 The Department explained that the electricity was provided to the Staff Colony from the main meter according to the instruction of the government. The residence were using the electricity for residences and paying the bills on domestic tariff as per the separate meters provided for every residence.

The Committee accepted the explanation of the Department and the paras were settled.

21. Para No.21 Pages 23 & 24 of Audit Report for the year 2001-2002; Recovery of Late Delivery Charges of Rs.502,581/-

30.08.2006 The Department explained that the para was discussed by the SDAC in its meeting held on 3.12.2001 and was settled after verification of record.

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

22. Para No.22 Page 24 of Audit Report for the year 2001-2002; Irregular purchase of Articles of Rs.418,782/- Without Having Tax Invoices.

(22.1) Government Technical Training Center (Boys) Khanewal Road, Multan – Rs.52,966.55/-

(22.2) Government Technical Training Institute D G Khan.- Rs.47,324.75/-

(22.3) Government Technical Training Institute, Mughalpura, Lahore – Rs.318,491/-

30.08.2006 The Department explained that instructions for payment of sales tax on the purchase of taxable goods were communicated to the department on 13.01.1998 and before the receipt of the said instructions the bills were under process and the sales tax was not paid to the supplier/firms on the aforesaid amount by the institute.

The para was kept pending with the directions that the Sales Tax Department be informed regarding the said transaction for recovery from the said firms.

23. Para No.24 Pages 25 & 26 of Audit Report for the year 2001-2002; Non-Deposit of Government Receipt into Treasury Rs.280,400/-

30.08.2006 The Department explained that the computer fund mentioned in the prospectus was a non-government fund and not a computer fee. The necessary approval for such fund was obtained from the Director, Technical Education Punjab on 26.6.2000. Being private fund the said account was deposited in the Commercial Bank in accordance with the government instructions.

The Committee **settled the para** with the directions that the rules for disbursement of such funds be framed at the earliest.

24. Para No.25 Page 26 of Audit Report for the year 2001-2002; Recovery of Rs.161,500/- on Account of Tution/Admission Fee.

30.08.2006 The Department explained that the balance amount of Rs.59,207/- had been deposited into the government treasury and record was available for verification.

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

25. Para No.26 Page 27 of Audit Report for the year 2001-2002; Unauthorized Opening of Account and Deposit of Government Money Rs.157,000/- in Private Bank Account

30.08.2006 The Department explained that an amount of Rs. 157,000/- was deposited in the Bank of Punjab which was not private bank. However, on the instruction of audit the same had been deposited in the National Bank of Pakistan, DG Khan.

The Committee **settled the para** with the directions that the rules be framed for depositing of such funds in the bank at the earliest.

26. Para No.27 Pages 27 & 28 of Audit Report for the year 2001-2002; Non-Recovery of Rs.156,260/-on Account of Training Charges.

30.08.2006 The Department explained that out of Rs.156,260/-, an amount of Rs.112,356/- had been recovered and deposited into government treasury. Efforts were being made for the balance recovery.

The Committee **kept the para pending** with the directions that the recovery be got verified by audit and balance amount be recovered at the earliest.

27. Para No.28 Page 28 of Audit Report for the year 2001-2002; Non/Less Deduction of Income Tax – Recovery of Rs.130,223/-

(28.1) Government Technical Training Institute Mughalpura, Lahore – Rs.73,817/-

30.08.2006 The Department explained that now the Principle, Government Technical Training Institute, Mughalpura, Lahore had traced out the documentary proof regarding deduction of income tax as well as collection from the various firms. However, the audit stated that during the verification of record on 24-8-2006, the departmental representative could not produce any record in favour of his contention.

The para was kept pending with the directions that disciplinary action be initiated against the concerned DDO for not deducting the income tax at source.

(28.2) Government Technical Training Centre(Boys) Khanewal Road, Multan – Rs.36,698/-

30.08.2006 The Department explained that income tax amounting to Rs.32,901/- had already been deducted and deposited into the government treasury and efforts were being made for the balance recovery. However, the audit was of the view that the department produced treasury challans (instead of tax payable challans) of Rs.18,993/- on account of

recovery of income tax at the time of verification. The same was not acceptable as the same were deposited into government treasury in the name of Principal of the institute instead of firms from whom the purchases were made.

The para was kept pending with the directions that disciplinary action be initiated against the concerned DDO for not deducting the income tax at source.

(28.3) Government Vocational Training Institute Bahawalpur – Rs19,708/-

30.08.2006 The Department explained that the purchases were made in the different financial years from 1993-94 to 2000-2001 in different months, dates and different firms/suppliers; no voucher/bill was exceeded more than 10,000/- rupees. Hence all the purchases were made after fulfilling the codal formalities and as per the government instructions.

The Committee accepted the explanation of the department and **the para was settled.**

28. Para No.29 Page 29 of Audit Report for the year 2001-2002; Non-Recovery of Rs.124,800/- on Account of Private Consumed Electricity & Sui Gas Charges

30.08.2006 The Department explained that an inquiry had been initiated in the case and the action would be taken as the inquiry report.

The para was kept pending with the direction that the inquiry be finalized within 60 days.

29. Para No.31 Page 30 of Audit Report for the year 2001-2002; Non-Realization of Tuition Fee and Other Government Dues from the Sons of Ex-Servicemen Rs.84,510/-

30.08.2006 The Department explained that the prospectus of the Government Technical Training Institute, Pindi Gheb had already been approved by the competent authority and in the light of the approval of fees structure by the competent authority by the sons of ex-service man were exempted from tuition/admission and hostel fee.

The Committee accepted the explanation of the department and **the para was settled.**

30. Para No.32 Page 30 & 31 of Audit Report for the year 2001-2002; Non-Recovery of Rs.82,744/- from Compulsory Retired/ Removed from Service Employees

30.08.2006 The Department explained that the actual amount of the para was Rs.91,803/- instead of Rs.82,744/- and Rs.68,977/- had been recovered out of pension of Mr. Gulfaran Twanfer, ex-Junior Clerk and efforts were being made for balance recovery as arrears of land revenue as the concerned ex-government employee had been died since last two years.

The para was kept pending for balance recovery within 90 days.

31. Para No.34 Page 32 of Audit Report for the year 2001-2002; Theft of Electronics Articles Valuing Rs.99,750/-

30.08.2006 The Department explained that all the reported items had been recovered and handed over to the institute. The stock entries in the relevant register were available for verification.

The para was kept pending for physical verification of stock register by audit.

32. Para No.35 Pages 32 & 33 of Audit Report for the year 2001-2002; Loss of Rs.61,456/- Due to Theft of Cash.

30.08.2006 The Department explained that the report of theft of items worth Rs.61,456/- was got register with the concerned police station on 1-10-1995 and the police had declared the case as untraceable. The write off sanction would be obtained from the Board of Governor in its next meeting.

The para was kept pending with the directions that the case for write off sanction be placed before the BoG in the next meeting.

33. Para No.36 Pages 33 & 34 Audit Report for the year 2001-2002; Failure in Achievement of Target of Project Involving Expenditure of Rs.90,518,016/- Due to Unjustified Change in Approved Site of Institution.

30.08.2006 The Department explained that due to the administrative reasons the institute was established out of city and now all the machinery had been installed for training purposes that could be verified from the record.

The Committee accepted the explanation of the department and **the para was settled.**

34. Para No.37 Page 34 of Audit Report for the year 2001-2002; Loss of Rs.1,410,990/- Due to Non-Occupation of Government Accommodations attached to the Institutions

(37.1) Government Institute of Technology, Rahim Yaar Khan – Rs11,13,168/-

30.08.2006 The Department explained that residences of government institute of technology Rahim Yar Khan were allotted to the employees but the employees refused to occupy the same due to deteriorated conditions of the residences. The department also apprized the Committee that the conditions of the following institutions were also very bad.

- (I) Government Institute of Technology, Rahim Yar Khan.
- (II) Government Institute of Technology, Gujranwala.

- (III) Government Polytechnic Institute Attock.
- (IV) Government Commercial Training Institute, Kasur.
- (V) Government College of Technology Raiwind Road, Lahore.

The para was kept pending with the directions that the department should submit a latest Technical Evaluation Report of the said building within a week so that the matter be taken up with the C&W Department.

(37.2) Government Commercial Training Institute Kasur – Rs297,822/-

30.08.2006 The Department explained that the Provincial Building Department was requested to hand over the possession of residence after completion i.e. supply of electricity, water & sewerage system but the said systems were not completed as per approved PC-I form of the Government. Therefore, the Building Department had not given the possession of residences to the Institute. The incomplete residences especially Principal House and other were occupied by the Pak Army stated to be intelligence Agency since long. The whole situation was brought in the notice of Departmental Authorities many times. The Department examined and directed to take the possession of incomplete quarters vide letter dated 06-10-2004 under intimation to Provincial Building Department about the damaged condition which needs repair and completion. The Principal & few other residences were still under the control of Army. The Department was making correspondence with the higher authorities of Army for vacation of residences. As soon as the accommodation would be vacated by the Army, then it would be brought under utilization after repair and completion.

The para was kept pending with the directions that the concerned Army authorities be requested to vacate the residence at the earliest and latest technical evaluation report of the institution along with residential colony be submitted to the PAC within seven days so that the matter be taken up with the C&W Department.

35. Para No. 38 Page 35 of Audit Report for the year 2001-2002; Loss to Government for Rs.777,228/- on Payment of House Rent Allowance Due to Non-Allotment/ Occupation of Government Residences.

16.03.2007 The Department explained that the Building Department had not yet handed over the residences of Government Institute of Technology, Gujranwala.

The Committee kept the para pending for 17.3.2007 with the directions that the concerned Principal and Executive Engineer Building be called to explain the exact position.

On 17.3.2007, Prof. Dr. Rana Abdul Jabbar, Principal, Rachna College explained that the Building was yet not handed over to the college by the C&W Department.

The Department assured that the inquiry would be conducted and if any officer/official was found responsible for this delay then action would be taken against him under the rules.

The Committee **kept the para pending** with the directions that inquiry be completed within 60 days.

- 36. Para No. 39 Pages 35 & 36 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.412,137/- on Account of Appointment of Shop Attendant.**
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16.03.2007 The Department explained that a *de-novo* inquiry was under process.

The Committee **kept the para pending** that the *de-novo* inquiry be completed within 60 days.

- 37. Para No. 40 Page 37 of Audit Report for the year 2001-2002; Irregular/ Doubtful Expenditure of Rs.130,900/- for Leveling of Land and Non-Deduction of Income Tax – Rs.6,545/-**
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16.03.2007 The Department explained that the expenditure was incurred out of Social Welfare Funds on leveling of land after completing all the codal formalities and the record was available for verification.

The Committee accepted the explanation of the department and **the para was settled.**

- 38. Para No. 41 Page 38 of Audit Report for the year 2001-2002; Irregular/ Uneconomical Purchases of Machinery and Computer With Accessories Worth Rs.5,993,363/-**
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- 39. Para No. 45 Pages 40 & 41 of Audit Report for the year 2001-2002; Irregular/ Uneconomical Purchase of Furniture Worth Rs.1,809,963/-**
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- 40. Para No. 46.1 Pages 41 & 42 of Audit Report for the year 2001-2002; Irregular Expenditure on Purchase of Teaching/ Learning Material for Rs.1,648,948/-**
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Government Technical Training Institute, Sargodha Rs.621,876/-

- 41. Para No. 47 Page 42 of Audit Report for the year 2001-2002; Irregular Uneconomical Purchase of Furniture Worth Rs.1,561,669/-**
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- 42. Para No. 51 Pages 44 & 45 of Audit Report for the year 2001-2002; Advance Payment of Rs.700,288/- on Account of Purchase of Furniture.**
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43. Para No. 58 Page 49 of Audit Report for the year 2001-2002; Irregular Payment of Electricity Charges for Rs.187,389/-
44. Para No. 60 Pages 50 & 51 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.119,018/- Due to Unauthorized Appointment During Ban.
45. Para No. 66 Page 54 of Audit Report for the year 2001-2002; Tender Sale Money of Rs.462,200/- Not Deposited into Government Treasury.
46. Para No. 69 Page 56 of Audit Report for the year 2001-2002; Irregular Collection and Misappropriation of Development Fund – Rs.103,400 and Non-Production of Expenditure Record.
47. Para No. 71 Page 58 of Audit Report for the year 2001-2002; Non Production of Stock Entries of the Durable Goods Worth Rs.7,794,701/-
48. Para No. 72.2 Pages 58 & 59 of Audit Report for the year 2001-2002; Doubtful/ Unjustified Payment of Rs.2,237,407/- on Account Electricity Bills.

Government Technical Training Institute, Mughalpur.

49. Para No. 73 Pages 59 & 60 of Audit Report for the year 2001-2002; Loans not Refunded to the Funds – Rs.877,457/-

(73.2) Government Technical Training Center, Pind Ghep, Attock – Rs.143,354/-

(73.3) Government Technical Training Center, D. G. Khan – Rs.46,769/-

16.03.2007 The Department explained that the observation of the audit had been properly addressed and record had been got verified by audit.

Audit verified the contention of the Department and recommended the paras for settlement.

The paras were settled.

50. Para No. 42 Pages 38 & 39 of Audit Report for the year 2001-2002; Lapse of Budget Grant Rs.3,830,150/-
 51. Para No. 43 Page 39 of Audit Report for the year 2001-2002; Irregular Expenditure on Purchase of Teaching/ Training Material Worth Rs.2,392,701/-
- (43.1) Government Technical Training Center (Boys), Multan – Rs.1,456,356/-**

- (43.2) Government Technical Training Center (W), Multan – Rs.404,896/-
(43.3) Government Vocational Training Institute, Multan – Rs.531,449/-
52. Para No. 44 Page 40 of Audit Report for the year 2001-2002; Excess Expenditure Over and Above the Budget Allocation – Rs.2,322,797/-
- (44.1) Government Technical Training Institute, Mughalpura, Lahore – Rs.1,605,452/-
(44.2) Government Vocational Training Institute (Boys), Jhang – Rs.474,868/-
53. Para No. 46 Pages 41 & 42 of Audit Report for the year 2001-2002; Irregular Expenditure on Purchase of Teaching/ Learning Material for Rs.1,648,948/-
- (46.2) Government Technical Training Institute, Jauhar Abad – Rs.643,473/-
(46.3) Government Institute of Technology, R. Y. Khan – Rs.383,908/-
54. Para No. 49 Page 43 of Audit Report for the year 2001-2002; Irregular Purchase of Machinery/ Equipment and Training Material Worth Rs.1,458,241/-And Recovery of Income Tax Rs.15,738/-
55. Para No. 50 Page 44 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,427,711/- on Account of Pay & Allowances Due to Unauthorized Shifting of Headquarter.
- (50.2) Government Technical Training Institute, Mughal Pura, Lahore – Rs.198,692/-
(50.3) Government Technical Training Center, (Boys) Khanewal Road, Multan, –Rs.293,085/-
(50.4) Government Technical Training Institute, Jauhar Abad – Rs.332,370/-
56. Para No. 52 Page 45 of Audit Report for the year 2001-2002; Irregular Reinstatement – Irregular Expenditure of Rs.409,509/- on Account of Pay and Allowances
57. Para No. 53 Page 46 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.319,444/- Beyond Competency.
58. Para No. 54 Pages 46 & 47 of Audit Report for the year 2001-2002; Illegal Appointment and Irregular Expenditure of Rs.264,510/- on Pay and Allowances Thereon

59. **Para No. 59 Page 50 of Audit Report for the year 2001-2002; Irregular and Unjustified Expenditure of Rs.182,926/- on Account of Salaries of Cook.**
60. **Para No. 61 Page 51 of Audit Report for the year 2001-2002; Irregular Shifting of Headquarter and Irregular Posting/ Adjustment – Rs.104,548/-**
61. **Para No. 62 Page 52 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.70,344/- By Misclassification.**
62. **Para No. 78 Page 63 of Audit Report for the year 2001-2002; Unjustified Expenditure of Rs.125,501.50/- on Payment of Salary to Teachers Appointed Under Scheme of Self Finance Teaching.**

16.03.2007 The Department explained that in the most of above cases, Chairman TEVTA had regularized the expenditure and TEVTA Punjab was working under the TEVTA Ordinance. However, delegation of financial powers for various categories of officers had not been made and detailed rules for TEVTA were being prepared.

Audit contented that under the TEVTA Ordinance TEVTA Authority was competent for the regularization.

The Committee **kept the paras pending** till the regularization by the TEVTA Authority and desired that proper rules under the said Ordinance be framed at the earliest.

63. **Para No. 48 Pages 42 & 43 of Audit Report for the year 2001-2002; Unauthorized Handing Over of Government Assets Valuing in Million of Rupees to a Semi Government Institute.**

16.03.2007 The Department explained that assets of Government Technical Training Institute, Toba Tek Singh were handed over to Government Vocational Training Council after approval of the Chairman, TEVTA vide orders dated 29.11.99 who was fully competent for the purpose under TEVTA Ordinance.

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

64. **Para No. 55 Pages 47 & 48 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.243,772/- on Account of Appointment of Shop Attendant.**

16.03.2007 The Department admitted that incumbent had produced a fake certificate therefore a *de-novo* enquiry had been ordered which was under process.

The Committee **kept the para pending** with the directions that the *de-novo* inquiry be finalized within 60 days.

65. **Para No. 57 Pages 48 & 49 of Audit Report for the year 2001-2002; Irregular Transfer of Furniture for Rs.201,781/- to Other Institution.**
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16.03.2007 The Department explained that the furniture was transferred on the order of competent authority dated 22.8.1991.

The Committee **settled the para subject to verification** of book transfer entry by audit.

66. **Para No. 64 Page 53 of Audit Report for the year 2001-2002; Non-Production of Record of Development Grants of Rs.1,400,000/-**
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16.03.2007 The Department explained that all the purchases were made by the Purchase Cell of Education Department and requested that as the expenditure was incurred by Education Department, the para may be transferred to Education Department.

The Committee **kept the para pending** with the direction that the para be transferred to the Education Department.

67. **Para No. 65 Pages 53 & 54 of Audit Report for the year 2001-2002; Non-Maintenance of Cash Book and Contingent Register, Doubtful Expenditure of Rs.4,878,608/-**
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68. **Para No. 67 Page 55 of Audit Report for the year 2001-2002; Doubtful Expenditure of Rs.171,830/- on Account of Furniture.**
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69. **Para No. 72.1 Pages 58 & 59 of Audit Report for the year 2001-2002; Doubtful/ Unjustified Payment of Rs.2,237,407/- on Account Electricity Bills.**
-

Government Technical Training Centre (Boys), Khanewal Road, Multan.

16.03.2007 The Department explained that the relevant record had been collected from the concerned quarter and the same was available for verification.

The paras were **kept pending** for verification of record by audit.

70. **Para No. 68 Pages 55 & 56 of Audit Report for the year 2001-2002; Non-Deduction of House Rent Allowance – Rs.103,949/-**
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16.03.2007 The Department explained that credit verification of Rs.2,274/- had been got verified by audit.

The para was **settled.**

- 71. Para No. 70 Pages 56 & 57 of Audit Report for the year 2001-2002; Non-Production of Income Account of 2 Acre Land Rented Out for Drying of Vegetable (METHHI) Recovery of Rs.84,000/-**
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16.03.2007 The Department explained that the land of the play ground required repair that was lapping of the land. The ground land was maintained in the interest of the college.

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

- 72. Para No. 73.1 Pages 59 & 60 of Audit Report for the year 2001-2002; Loans Not Refunded to the Funds – Rs.877,457/-**
-

Government Vocational Training Institute, Bahawalpur – Rs.687,334/-

16.03.2007 The Department explained that the record relating to refund of loans and vouched accounts were available for verification.

The Committee **settled the para subject to verification** of contingent bills by audit.

- 73. Para No. 74 Page 60 of Audit Report for the year 2001-2002; Infructuous/Wasteful Expenditure of Rs.325,600/- on Purchase of Surplus Store.**
-

16.03.2007 The Department explained that all the record was available for verification.

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

- 74. Para No. 75 Page 61 of Audit Report for the year 2001-2002; Wasteful Expenditure of Rs.297,240.78/- on Injudicious Engagement of Hostel Superintendent**
-

16.03.2007 The Department explained that Mr. Niaz Masood was appointed against vacant post of Hostel Superintendent vide the order dated 24.5.1975 by the competent authority.

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

- 75. Para No. 76 Pages 61 & 62 of Audit Report for the year 2001-2002; Unnecessary Purchase and Unauthorized Issuance/ Transfer of Technical Training Material Worth Rs.189,309/-**
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16.03.2007 The Department explained that in 1997-98 and 1998-99, training material amounting to Rs.157,983/- & Rs.31,326/- was purchased through purchase cell and local purchases were made after observing all codal formalities and record was available for verification. The Department further stated that the assets of this Institute were handed over to the Punjab Vocational Training Council on approval of the chairman Technical

Education and Vocational Training Authority (TEVTA) conveyed vide order dated 29.11.1999. These orders were issued by the Chairman TEVTA, being Chief Executive of authority in exercise of power conferred upon him vide the Punjab Technical Education and Vocational Training Authority Ordinance 1999 notified on 5 June 1999.

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

76. Para No. 77 Page 62 of Audit Report for the year 2001-2002; Unnecessary/ Wasteful Expenditure of Rs.169,323/- on Purchase of Surplus Store/ Teaching Material.

16.03.2007 The Department explained that the training material was purchased during 7/99 to 6/2001 on demand of the concerned workshop and the articles were quite different from one another in size dimension and nature. The entries had been recorded in the stock register and the record was available for verification.

The Committee **settled the para subject to verification** of stock register by audit.

77. Para No. 79 Pages 63 & 64 of Audit Report for the year 2001-2002; Irregular/ Doubtful Disbursement of Stipend of Rs.104,047/- Under PMP in Technical Trades

16.03.2007 The Department explained that disbursed bill of the stipend under PMP in technical trades was made according to rules and all the acknowledgments were attested by the competent authority.

The Committee **settled the para subject to verification** of tender register by audit.

78. Para No. 80 Pages 64 & 65 of Audit Report for the year 2001-2002; Irregular Conversion of Two Year's E. O. L into L. F. P & L. H. P With Mala fide Intention – Recovery of Rs.102,286/-

16.03.2007 The Department explained that a show cause notice for recovery had been issued to the Principal and the recovery as arrears of land revenue was also under process with the DO(R), DG Khan.

The Committee **kept the para pending** with the direction that the recovery be pursued expeditiously.

GENERAL OBSERVATION

30.08.2006 The Committee was apprised that record of most of the paras was available for verification but due to paucity of time the audit could not verify the record.

The Committee desired that the record regarding the TEVTA be got verified by audit on 19 to 21.9.2006.

**INFORMATION,
CULTURE
&
YOUTH AFFAIRS**

The paras were discussed in the meeting of PAC-II held on 31.10.2006.

Audit Paras (Civil) for the year 2001-2002

- 1. Para No. 2 Pages 7 & 8 of Audit Report for the year 2001-2002; Loss of Rs.300,000/- Due to Theft of Government Vehicles and Irregular expenditure of Rs.4,650/-**
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31.10.2006 The Department explained that the vehicle No. LHV-6047 was stolen and an FIR was lodged with the Police on 25-2-2000. Despite hectic efforts the vehicle could not be traced out as per the police report. Now the case had been placed before the Board of Governor/Executive Committee of PUCAR for write off. The decision was still awaited.

The para was kept pending till the decision of the Board of Governor.

- 2. Para No.3 Page 8 of Audit Report for the year 2001-2002; Loss of Rs.315,140/- Due to Less Receipt of Booking Charges of Halls for Dramas.**
 - 3. Para No.28.1 Page 30 of Audit Report for the year 2001-2002; Non-Production of Record for Rs.6,600,641/-**
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Al-Hamra Arts Council, Lahore – Rs.6,105,624/-

31.10.2006 The Department explained that the alternate programme was held during the running spell of dramas for which recovery was made by the department and no loss of less receipt occurred. The record was available for verification.

The paras were kept pending for verification within 15 days.

- 4. Para No.5 Page 10 of Audit Report for the year 2001-2002; Recovery/ Adjustment of Amount Paid to WAPDA As Late Payment Surcharges Rs.85,714/-**
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31.10.2006 The Department explained that the matter had been taken up with the WAPDA for the adjustment.

The Committee **kept the para pending** with the directions that the adjustment be made within 15 days and the action against the delinquent officers be taken under intimation to PAC.

- 5. Para No. 7 Pages 11 & 12 of Audit Report for the year 2001-2002; Recovery of Rs.101,680/- Due to Misuse of Government Vehicles**
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31.10.2006 The Department explained that the para was discussed in the SDAC meeting held on 29.12.2003 and was settled.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

6. Para No.8 Pages 12 & 13 of Audit Report for the year 2001-2002; Irregular/ Doubtful Drawal and Payment of Electricity Bills Amounting to Rs.209,458/-

31.10.2006 The Department explained that the adjustment with the WAPDA had been made and the record was available for verification.

The Committee **kept the para pending** with the directions that the record be got verified by audit on the same day.

7. Para No.10 Page 14 of Audit Report for the year 2001-2002; Non-Receipt of Artists Welfare Fund, Recovery of Rs.640,000/-

31.10.2006 The Department explained that the Artists Welfare Fund was a collection raised through an additional show i.e. 16th show of drama for which the artists did not charge producer for the performance. Similarly, the Arts Council also did not charge the producer and consequently the contribution was collected by the Arts Council and the amount was deposited in the fund. It was originally collected @Rs.3,000/- for Hall-I and @Rs.1,500/- for Hall-II, the rate were revised from time to time due to revision of the rentals of the halls. It was also stated that during the year 2000-2001, there was an overall slump of the dramas in the Lahore Arts Council, so the Artists Welfare Fund being a voluntary contribution could not be recovered.

Audit contended that the record should be produced in support of the departmental contention.

The para was kept pending for verification.

8. Para No.11 Pages 14 & 15 of Audit Report for the year 2001-2002; Irregular/Unjustified Expenditure of Rs.59,090/- on account of Mobile Phone

31.10.2006 The Department admitted the irregular/unjustified expenditure on account of mobile phone and stated that the concerned Chairman had been requested to deposit the amount.

The Committee **kept the para pending** with the directions that the recovery be made within 90 days.

9. Para No. 16 Pages 19 & 20 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.639,500/- on Preparation of Float on 23RD March 2001

31.10.2006 The Department explained that the expenditure was incurred on the preparation of float during the 23rd March 2001 Pakistan Day celebration. The vouched account was available for verification.

The para was kept pending for verification of record.

10. Para No.17 Pages 20 & 21 of Audit Report for the year 2001-2002; Irregular and Purchase of Wooden Furniture Worth Rs.100,000/- Non-Deduction of Sales Tax Rs.15,000/- and Income Tax Rs.3500/-

31.10.2006 The Department explained that there was no policy of the government that the purchase of the furniture should strictly be made from the Wood Working Centers, Gujrat or NOC be obtained from him. Moreover, the income tax amounting to Rs. 3,500/- had been deducted and deposited in the Income Tax Head. So far as the sales tax was concerned this item was of proprietary and special type of nature and was not running item in the market. The purchase was made from small shop keeper/carpenter as per requirement at the lowest rates.

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

11. Para No.18 Page 21 & 22 of Audit Report for the year 2001-2002; Irregular Expenditure of Repair of Vehicle Amounting Rs.131,652/-

31.10.2006 The Department explained that the para was discussed in the SDAC meeting on 29/10/2002 and was settled after verification of record.

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

12. Para No. 19 Pages 22 & 23 of Audit Report for the year 2001-2002; Irregular Expenditure Amounting to Rs.700,944/- on MELA WARIS SHAH 2000.

31.10.2006 The Department explained that the expenditure was incurred to celebrate the Urs of Syed Waris Shah. The purchases were made by the accounts and program section jointly due to short time for the arrangements of the mela. Quotations were collected by hand after due checking the market rates and lowest bidders were awarded orders.

The Committee **kept the para pending** for verification of record by audit.

13. Para No.20 Page 23 of Audit Report for the year 2001-2002; Irregular Purchase of Ceramic Class Material Worth Rs.374,034/-

31.10.2006 The Department explained that the matter was discussed in the SDAC meeting held on 29.10.2002 and was decided that the reference be made to the Finance Department for *ex-post facto* sanction and in compliance of the SDAC decision, the matter had been referred to Finance Department on 5.10.2006.

The representative of Finance Department was of the view that tender was not required for the proprietary item. Moreover, the *ex-post facto* sanction had to be made by the Board of Governor.

The para was kept pending.

14. Para No.21 Page 24 of Audit Report for the year 2001-2002; Irregular Purchase of Computers Worth Rs.476,334/-

31.10.2006 The Department explained that the para had already been settled in SDAC meeting held on 29.10.2002. However, the minutes could not be signed by the Administrative Secretary due to his transfer. The Department further stated that NOC was not required for purchase of computers as the Lahore Arts Council was an autonomous body and computers had been purchased according to the specifications, however, the contractor had agreed to supply certain accessories/parts which were better than those mentioned in the quotation. As such the better equipment had been purchased at lower rates thus no loss to the government was involved.

The Committee **kept the para pending** for verification of departmental contention by audit.

15. Para No.22 Pages 24 & 25 of Audit Report for the year 2001-2002; Irregular Purchase of A.C. Units Worth Rs.322,875/-

31.10.2006 The Department explained that the para had already been settled in SDAC meeting held on 29.10.2002. However, the minutes could not be signed by the Administrative Secretary due to his transfer. The Department further stated that NOC was not required from the Finance Department for purchase of Air-conditioners as the Lahore Arts Council was an autonomous body.

The Committee **kept the para pending** for verification of departmental contention by audit.

16. Para No. 23 Pages 25 & 26 of Audit Report for the year 2001-2002; Irregular Expenditure on Installation of Fire Fighting System for Multan Arts Council Amounting to Rs.433,745/- on Single Tender Basis

31.10.2006 The Department explained that tender for installation of Fire Fighting System was advertised in 'Daily Jang' on the basis of crash programme and the tender forms were issued by the consultant, responsible for technical specification. Only three firms had participated in the tender and after technical scrutiny, the consultant had recommended the award of work to the lowest bidder. The components of Fire Fighting System were installed in the Auditorium of Multan Arts Council and stock entries were made accordingly. Afterwards, the Firm had trained the staff as per agreement. However, the Sales Tax amounting to Rs.2,182/- was paid mistakenly which would be recovered from the dues of the firm. The department further contented that in case of open tenders, the approval of Purchase Committee was not necessary.

Audit stated that department contention was not justified in the light of rules.

The Committee **kept the para pending** with the directions that department should get its Purchase Rules approved by the competent authority at the earliest.

17. Para No.26.1 Pages 27 & 28 of Audit Report for the year 2001-2002; Irregular/ Doubtful Expenditure of Rs.2,707,566/- Incurred on Contingent Paid Staff

Al-Hamra Arts Councils, Lahore – Rs.2,078,395/-

31.10.2006 The Department explained that the Arts Council was a service organization and its programs continued round the clock, the regular employees and the officers were very limited. Therefore the officials especially technicians, sound operators, recordists, electricians, sweepers, cleaners, malies, air-conditioners mechanics, carpenters etc. were engaged on daily wages basis as contingents paid staff. The strength and establishment of the staff was approved by the Finance and Administration Committee meeting held on 17.6.2000 and finally by the Board of Governors on 28.6.2000.

The Committee **kept the para pending** for verification within one week.

18. Para No. 29 Pages 30 & 31 of Audit Report for the year 2001-2002; Non-Production of Record on Account of Lease Money for Service Counter of Hall No.1 Rs.700,000/-

31.10.2006 The Department explained that the amount of lease money had been deposited and the record was available for verification.

The para was kept pending with the directions that the bank statement be got verified by audit.

GENERAL OBSERVATIONS/DIRECTIONS

31.10.2006 The Committee noticed with concern that overall performance of the Lahore Arts Council in dealing with the Draft Paras and presentation of working paper to PAC-II was far from satisfactory. The Working Papers were not submitted till the date of meeting despite the fact that the notice for the meeting had been issued on 1st August 2006. Moreover, the written explanation given in the working paper was unsatisfactory and requisite record had not been got verified by Audit.

The Committee took serious view of the casual attitude of the Executive Director, Lahore Arts Council, Lahore towards the PAC business which caused loss of precious time of the Committee as well as loss of huge amount of public money and desired that displeasure of the Committee may be conveyed to the concerned officers of the Lahore Arts Council, over the lapse, with an advice to avoid such lapses in future.

IRRIGATION & POWER

The paras were discussed in the meetings of PAC-II held on 29.03.2006, 30.03.2006, 31.03.2006, 16.04.2007, 17.04.2007 & 31.05.2007.

Audit Para (Revenue Receipts) for the year 2001-2002

- 1. Para No.3.1 Pages 71 & 72 of Audit Report for the year 2001-2002; Non-Realization of Water Rate for Bulk Supply of Canal Water for use of Non-Irrigation Purpose- Rs.16,759,916/-**
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PDP NO.7601 D.C.O., LAHORE, Rs.869,227/-

17.04.2007 The Department explained that an amount of Rs.522,335/- had been recovered, leaving a balance of Rs.346,892/-. It was also stated that the matter had been taken up with the TMA, Pattoki and final notice for recovery had been served.

The representative of Finance Department stated that if recovery would not be made after the final notice then the case be referred to the Finance Department so that deduction be made at source.

The Committee **kept the para pending** with the directions that department would move a reference to the Finance Department for deduction at source.

PDP NO.7602 D.C.O, LAHORE, Rs.218,254/-

17.04.2007 The Department explained that total amount had been recovered and got verified by audit.

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

PDP NO.7788 D.C.O, HAFIZABAD, DIV. AT FAISALABAD, Rs.345,376/-

17.04.2007 The Department explained that the matter had been taken up with the concerned DCO and assured that the recovery would be made within 60 days.

The Committee **kept the para pending** for recovery within 60 days.

PDP NO.7798 D.C.O, LOWER GOGERA, FAISALABAD, Rs.61,000/-

DP NO. 7799 D.C.O, LOWER GOGERA, FAISALABAD, Rs.60,753/-

17.04.2007 The Department explained that final notice had been issued that if the dues would not be paid within 15 days then the discharge of tube-well water would be disconnected.

The Committee **kept the paras pending** with the directions that vigorous efforts be made for recovery at the earliest.

PDP NO.7801 D.C.O, FAISALABAD DIV. FAISALABAD, Rs.2,555,932/-

17.04.2007 The Department explained that a sum of Rs. 2,355,624/- had been recovered and got verified by audit. It was also stated that vigorous efforts were being made for the balance recovery.

The Committee **kept the para pending** with the directions that balance recovery be made within 30 days.

PDP NO.7820 D.C.O, UPPER GOGERA DIVISION, SHEIKHUPURA, Rs.615,813/-

17.04.2007 The Department explained that an amount of Rs. 487,777/- had been recovered and got verified by audit. Efforts were being made for balance recovery.

The Committee **kept the para pending** for balance recovery and desired that proper course of recovery be made in consultation with Secretary PHE.

PDP NO.7542 D.C.O, SARGODHA, Rs.1,628,790/-

17.04.2007 The Department explained that an amount of Rs.880,375/- had been recovered and efforts were being made for the balance recovery.

The Committee reduced the para to the extent of recovery and desired that the matter be taken up with the concerned authority for recovery at the earliest.

The para was kept pending.

PDP NO.7562 D.C.O, D.G.KHAN, Rs.1,517,192/-

17.04.2007 The Department explained that Rs.848,581/- had been recovered and a meeting was held with the concerned authority on 5.3.2007 in which the defaulting agency had assured that the balance amount would be paid within 90 days.

The Committee **kept the para pending** for recovery within 90 days.

PDP NO.7565 D.C.O, RAJAN PUR, Rs.338,917/-

17.04.2007 The Department explained that total recovery had been effected and record was available for verification.

The para was kept pending for verification of record by audit.

PDP NO.7858 D.C.O, AHMEDPUR, Rs.3,171,204/-

17.04.2007 The Department explained that the amount had been incorporated in demands statement of the respective crops for recovery by Revenue Department.

The Committee **kept the para pending** with the directions that the matter be referred to the Finance Department for deductions at source from Forest Department.

PDP NO.7676 D.C.O, SAHIWAL, Rs.2,008,192/-

17.04.2007 The Department explained that the entire amount had been recovered and got verified by audit.

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

PDP NO.7797 D.C.O, LOWER GOGERA, FAISALABAD, Rs.117,284/-

17.04.2007 The Department explained that the total recovery had been effected and got verified by audit.

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

2. **Para No.3.2 Page 73 of Audit Report for the year 2001-2002; Short-assessment of Abiana Due to Application of Incorrect Rate- Rs.9,665,027/-**

PDP NO.7675 D.C.O, SAHIWAL, Rs.4,070,386/-

PDP NO.7677 D.C.O, HAKRA DIVISION, BAHAWAL NAGAR, Rs.3,139,129/-

17.04.2007 The Department explained that the total recovery had been effected and got verified by audit.

The paras were settled.

PDP NO.7678 D.C.O, SADIQIA DIVISION, BAHAWAL NAGAR, Rs.2,455,512/-

17.04.2007 The Department explained that the total recovery had been effected and got verified by audit.

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

3. **Para No.3.1 Pages 71 & 72 of Audit Report for the year 2001-2002; Non-Realization of Water Rate for Bulk Supply of Canal Water for use of Non-Irrigation Purpose- Rs.16,759,916/-**

PDP NO.7871 D.C.O, KIRANA DIV. SARGODHA, Rs.1,660,152/-

4. **Para No.3.3 Page 74 of Audit Report for the year 2001-2002; Short-Realization of Government Revenue Due to Non-Levy of Tawan at Enhanced Rates Rs.2,738,507/-**

PDP NO.7865 D.C.O, MUZAFFAR GARH, Rs.2,418,652/-

PDP NO.7374 D.C.O, MARALA, Rs.319,855/-

5. **Para No.3.4 Pages 74 & 75 of Audit Report for the year 2001-2002; Blockade of Possible Government Revenue due to Non-finalization of Cases of Special Charges Rs.12,807,626/-**
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PDP NO.7603 D.C.O, LAHORE, Rs.115,347/-

PDP NO.7376 D.C.O, MARALA DIVISION, Rs.221,100/-

PDP NO.7382 D.C.O, GUJRANWALA, Rs.1,316,219/-

PDP NO.7395 D.C.O, OKARA, Rs.190,179/-

PDP NO.7396 D.C.O, OKARA, Rs.46,064/-

PDP NO.7541 D.C.O, SARGODHA, Rs.269,842/-

PDP NO.7563 D.C.O, D.G KHAN, Rs.432,594/-

PDP NO.7564 D.C.O, RAJANPUR, Rs.1,177,436/-

PDP NO.7787 D.C.O, HAFIZABAD (AT FAISALABAD), Rs.2,773,700/-

PDP NO.7700 D.C.O, JHANG, Rs.162,818/-

PDP NO.7860 D.C.O, AHMED PUR EAST, Rs.466,272/-

PDP NO.7869 D.C.O, SHAHPUR SADDAR, SARGODHA, Rs.153,181/-

17.04.2007 Audit stated that the matter contained in above mentioned paras was taken up in the last meeting of the PAC-I which was still under consideration and audit would report to the PAC-I on May 3, 2007.

The above mentioned paras were kept pending.

6. **Para No.3.4 Pages 74 & 75 of Audit Report for the year 2001-2002; Blockade of Possible Government Revenue due to Non-finalization of Cases of Special Charges Rs.12,807,626/-**
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PDP NO.7821 D.C.O, GOGERA DIV. SHEIKHUPURA, , Rs.61,210/-

PDP NO.7703 D.C.O, EASTREN BAR, PAKPATTAN, Rs.27,023/-

PDP NO.7701 D.C.O, SULEMANKI, PAKPATTAN, Rs.103,714/-

PDP NO.7800 D.C.O, FAISALABAD DIVISION FAISALABAD , Rs.3,377,470/-

17.04.2007 The Department explained that the total recovery had been effected and got verified by audit.

On the recommendation of audit, the paras were settled.

PDP NO.7699 D.C.O, SAHIWAL, Rs.1,913,457/-

17.04.2007 The Department explained that all the 15 no. cases on special charges had been decided by the DCO who had imposed special charges amounting to Rs.1351,655/- which had been incorporated in the Khautani of fiscal Kharif 2001-2002 and Rabi 2001-2002. The said Khautani/demand had been submitted to the concerned authority for its recovery.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

7. **Para No.3.5 Page 76 of Audit Report for the year 2001-2002; Loss of Possible Government Revenue Due to Non-auction/Non-leasing of Government Properties- Rs.574,672/-**
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PDP NO.7796 D.C.O, LOWER GOGERA DIVISION, FAISALABAD, Rs.182,422/-

17.04.2007 The Department explained that the total recovery had been effected and got verified by audit.

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

PDP NO.7802 D.C.O, FAISALABAD DIVISION, FAISALABAD, Rs.173,670/-

17.04.2007 The Department explained that the Killan land situated in Chak No. 131/JB could not be allotted due to the reason that the possession holder challenged the auction in the Board of Revenue. After a great deal of discussion Member Colony of Revenue Board decided the case in favour of lessee holder for offering the land for sale by Private treaty to the petitioner on current market price. So far as the land situated in the Chak No. 61/GB was concerned the same could not be auctioned due to ban imposed by the Department. The shops of Narwala rest house were unauthorized as such their auction was out of question and the land at Narwala rest house was also not auctioned due to ban imposed by the Department. The Department also stated that a fact finding inquiry was under process.

The Committee **kept the para pending** with the directions that the fact finding inquiry be completed within one month.

PDP NO.7604 D.C.O, LAHORE, Rs.101,930/-

17.04.2007 The Department explained that the para had already been settled by the *Adhoc* PAC on 8.10.2001.

On the recommendation of audit the para was settled.

PDP NO.7822 D.C.O, UPPER GOGERA DIVISION, SHEIKHUPURA, Rs.116,650/-

17.04.2007 The Department explained that a fact finding inquiry in the matter was under process.

The Committee **kept the para pending** with the directions that the inquiry be completed within one month.

8. Para No.3.6 Page 77 of Audit Report for the year 2001-2002; Non-recovery of Abiana After Expiry of Stay Order Issued by Courts- Rs.29,929,607/-

PDP NO.7785 D.C.O, HAFIZABAD (AT FAISALABAD), Rs.2,125,848/-

17.04.2007 The Department explained that out of 35 cases 29 had been finally decided by the court while 6 cases were still pending in the court.

The Committee **kept the para pending** with the directions that the cases be pursued in the court.

PDP NO.7786 D.C.O, FAISALABAD DIV. FAISALABAD, Rs.4,871,971/-

17.04.2007 The Department explained that some cases had been decided by the different courts and a sum of Rs.4,647,992/- had been recovered and got verified by audit. For the remaining cases, the next date of hearing was fixed for 03.5.2007.

The para was kept pending.

PDP NO.7784 D.C.O, LOWER GOGERA, FAISALABAD, Rs.22,931,788/-

17.04.2007 The Department explained that out of the total amount recovery of Rs.1,627,607/- had been effected and got verified by Audit whereas efforts were being made for balance recovery.

The Committee observed that recovery of huge amount of Abiana was outstanding since long in cases where no stay orders of the court were applicable. After detailed consideration of the matter, the Committee desired that the Senior Member, Board of Revenue may be requested to expedite the recovery of all such Abiana cases all over the province.

The para was kept pending for balance recovery.

9. Para No.3.7 Page 78 of Audit Report for the year 2001-2002; Non-realization of Stamp Duty and Registration Fee – Rs.178,668/-

PDP NO.7375 D.C.O, MARALA DIV., MARALA, Rs.164,206/-

17.04.2007 The Department explained that Rs.35,800/- regarding stamp duty had been recovered and for the recovery of registration fees amounting to Rs.22,375/- notices had been issued to the concerned delinquents for depositing the said recovery.

The Committee **kept the para pending** with the directions that the balance recovery be made and record be got verified by audit.

Audit Paras (Commercial) for the Year 2001-02

1. Para No.82 Page 87 of Audit Report for the year 2001-2002; Working Results

30.03.2006 The Audit had pointed out that the Accounts of Mugalpura Irrigation Workshop for the year 2001-02 were not provided for examination to Audit by the target date. In its latest comments the audit stated that the Accounts in question were being printed in the audit report for the year 2003-04 which would be discussed later on.

The Department explained in the working paper that during the year 2001-02 the Mugalpura Irrigation Workshop suffered a net loss of Rs.39.048 Million as the workshops were being operated on the commercial accounting system. The Department also stated that during the consideration of Audit Reports 1992-93 to 1996-97, the PAC had directed the department to review that the workshops be operated on Commercial Accounting System. The matter was referred to the Finance Department but decision was still awaited.

The Committee accepted the explanation of the Department and constituted a Committee comprising the following to examine the departmental contention for excluding the Mugalpura Irrigation Workshop from Commercial Accounting System:-

- 1- Mr. Rab Nawaz, Deputy Secretary (Monitoring) Finance Department
Convener
- 2- Rana Muhammad Asif, Executive Engineer, I&P Department,
Member
- 3- Mr. Saeed Ahmad, Deputy Director Audit (works)
Member
- 4- Mr. Mahfooz Ahmed, Deputy Director Audit (Commercial)
Member

The para was kept pending.

Audit Paras (Works) for the Year 2001-02

1. Para No.6 Pages 14 and 15 of Audit Report for the year 2001-2002; Overpayment of Rs.0.492 Million on Account of Excessive Lead.

31.03.2006 The Department explained that the routes suggested by audit was not trafficable during the period of execution of works and the trafficable route i.e. Sikhanwali-Okara-Kanganpur had been adopted in the estimate which was duly sanctioned by the competent authority.

The Committee **kept the para pending** with the directions that the Administrative Secretary should personally verify the correctness of the Departmental explanation and submit a report to PAC.

2. Para No.7 Pages 15 & 16 of Audit Report for the year 2001-2002; Overpayment of Rs.0.455 Million on Account of Excessive Quantities.

30.03.2006 Audit stated that department had not got the record verified pertaining to above paras and no comments could be offered in the matter.

The para was kept pending with the direction that department should get the record verified by audit within 60 days.

3. Para No.8 Pages 16 and 17 of Audit Report for the year 2001-2002; Overpayment of Rs.0.877 Million on Account of Excessive Lead.

31.03.2006 The Department explained that the SBE entered 99494 cft of earthwork excavation from outside borrow pits at page 9-10 of MB number 44-L on 5.4.2001 erroneously with a lead of ¼ mile instead of 1 mile and the same was corrected by the SBE and was checked/measured by the SDO in CMB No. 46-L on Page 43-A on the same day.

The Committee accepted the explanation of the department and **the para was settled.**

4. Para No.9 Pages 17 & 18 of Audit Report for the year 2001-2002; Overpayment of Rs.0.213 Million on Account of Higher Rate.

16.04.2007 The Department explained that the para pertains to two No. works relating to O&M, for Rakh Branch from RD.61500-73000/L and RD. 73000-125000/L executed under the supervision of Associated Consulting Engineers. During execution of the works the earth was not available within the specified lead of 200'. The Contractor had to bring earth from a distance of 3150', which had been duly verified by the Associated Consulting Engineers. Estimates were revised and duly sanctioned by the Competent Authority. As such the rate paid to the Contractors was justified due to the reason that the earth was not available within the specified lead. It may be noted that the works were

executed for Maintaining the Bank/Service Road where the Canal was running with a discharge of 1000 Cs. and the condition of Banks was very weak and there was likely-hood/chances of breach.

Audit contended that the contention of the department was not accepted during the DAC meeting dated 6.2.2003. Moreover, Paras No. 1.8 and 1.9 of the same nature of audit report 1998-99 had been discussed in the PAC and the paras were pending for recovery and disciplinary action against the responsible officers.

The Committee **kept the para pending** with the direction that the recovery/disciplinary action be taken against the concerned officers.

5. Para No.10 Pages 18 & 19 of Audit Report for the year 2001-2002; Overpayment of Rs.1.289 Million Due to Fictitious Measurement.

16.04.2007 The Department explained that a fact finding inquiry had been conducted and recovery had been made from the security of contractor and accounted for in the final bill.

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

6. Para No.11 Pages 19 & 20 of Audit Report for the year 2001-2002; Overpayment of Rs.0.125 Million on Account of Excessive Lead.

16.04.2007 The Department explained that the work Restoration & Protection of Hydraulic Structure RD: 65751/R was carried out by M/s Zulfiqar Ali Contractor and due to non-availability of earth within 500 ft lead, the earth had to be lifted from the lead of 900 ft and 2000 ft. This was checked and approved by the Consultants M/s. ACE, Pvt. Limited appointed by the Government as well as Army Inspection Teams. Accordingly provision of earth work with lead of 900 ft and 2000 ft had been made in the revised estimate. It was further stated that the payment had been made to the Contractor as per actual work done at site.

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

7. Para No.12 Page 20 of Audit Report for the year 2001-2002; Overpayment of Rs.1.688 Million on Account of Excessive Lead.

8. Para No.13 Page 21 of Audit Report for the year 2001-2002; Overpayment of Rs.0.310 Million on Account of Excessive Lead.

16.04.2007 The Department admitted the over payment and stated that responsibility had been fixed and charge sheet had also been issued to the concerned XEN, SDO and Sub-Engineer.

The Committee **kept the paras pending** with the directions that the inquiry be completed at the earliest and recovery also be made from the responsible.

9. Para No.14 Page 22 of Audit Report for the year 2001-2002; Overpayment of Rs.0.250 Million On Account of Excessive Lead

17.04.2007 The Department explained that the work was executed under the supervision of Army and the site of work was congested due to abadi, pakka road, surrounding of atomic energy installation and high river edge. It was also stated that the matter was also discussed by the Federal Flood Commission.

The Committee was not satisfied with the explanation of the department and directed that the recovery be made from the responsible officers and **the para was kept pending.**

10. Para No.15 Page 23 of Audit Report for the year 2001-2002; Overpayment of Rs.0.054 Million Due to Non-Recovery of Old Material

11. Para No.38 Page 44 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.483 Million on Account of Dismantled Material

17.04.2007 The Department explained that the brick work of 4,415Cft was dismantled due to changes of design by KSB Pumps Company. The calculation had been made which were as under:-

4415 x 1350 = 59602 Cft.

59602 x 40% brick x 200/1000 = 4,760/-

59602 x 60% bats x 100/1000 = 3,576/-

Total: 8336/-

The Finance Department was of the view that the dismantle work would be calculated at the ratio of 60% bricks and 40% of bats and the amount be calculated @600 rupees for bricks and 200 rupees for bats.

The Committee agreed with the contention of the Finance Department and desired that the recovery be made at the above mentioned ratio.

The paras were kept pending.

12. Para No.16 Page 24 of Audit Report for the year 2001-2002; Overpayment of Rs.0.093 Million on Account of Excessive Measurements.

30.03.2006 The Department explained that the work had been paid on the basis of actual measurements taken at site. The top of the bund was kept one ft. higher from the previous free board as it was also to be used for traffic. The same provisions were provided in the TS.

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

17.04.2007 The Department explained that total record had been got verified by the audit and audit had accepted the departmental contention.

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

13. Para No.17 Page 25 of Audit Report for the year 2001-2002; Overpayment of Rs.2.005 Million On Account of Excessive Measurements

17.04.2007 The Department explained that the record i.e. MBs and final bills had been got verified by audit on 22.7.2006.

Audit verified the contention of the Department and **the para was settled.**

14. Para No.18 Pages 25 & 26 of Audit Report for the year 2001-2002; Overpayment of Rs.0.167 Million on Account of Higher Rate

30.03.2006 The Department explained that the work was executed for strengthening the right embankment RD 0-59000 of Islam Head Works. The item of earth work excavation from outside borrow-pits was dressed upto 300 feet at site and the entries for lead of 300 feet had been made correctly on page 80 of MB No. 4792.

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

15. Para No.19 Pages 26 & 27 of Audit Report for the year 2001-2002; Overpayment of Rs.0.599 Million on Account of Higher Rate

17.04.2007 The Department explained that the rate for excavation of earth was sanctioned by the SE and the same work was done by Excavation Division Faisalabad at the competitive rates for clearance and dressing slow to the required section including removal of weed roots and disposal of material. It was mentioned in the tender notice that rain would be cleared to excavator machinery. The item had been sanctioned by the competent authority vide orders dated 20.12.1997.

The Committee accepted the explanation of the department and **the para was settled.**

16. Para No.20 Page 27 of Audit Report for the Year 2001-02; Overpayment of Rs.0.123 Million on Account of Excessive Measurement

31.05.2007 The Department explained that Rs.78,341/- had been recovered and the rest of amount would be recovered within 3 months.

The Committee **kept the para pending** with the directions that if the recovery was not made within 3 months then proceeding for recovery as arrears for land revenue be initiated.

17. Para No.21 Pages 28 & 29 of Audit Report for the year 2001-2002; Overpayment of Rs.0.159 Million Due to Non-Adjustment of Available Earth

17.04.2007 The Department explained that the record was available for verification.

The Committee **kept the para pending** for verification of record by audit.

18. Para No.22 Pages 29 & 30 of Audit Report for the year 2001-2002; Overpayment of Rs.0.126 Million On Account of Higher Rate

17.04.2007 The Department admitted the contention of the audit and stated that the recovery would be made at the earliest.

The para was kept pending for recovery.

19. Para No.24 Pages 31 & 32 of Audit Report for the year 2001-2002; Overpayment of Rs.0.140 Million Due to Non-Adjustment of Available Earth.

30.03.2006 The Department explained that the concerned divisions and DCO, DG Khan had been requested vide letter No.184 dated 01-10-2005 and 2613 dated 25-2-2006 to effect the recovery from M/s. Azhar Javed Contractors.

The Committee settled the para subject to recovery and its verification by audit.

17.04.2007 The Department explained that para comprised of two parts:-

PART -A

The earth 1,73,750 Cft which was excavated in irrigation channel (Diversion Channel) had been utilized in construction of diversion banks which was justified. Moreover the earth 1,80,750 Cft from out side Borrow pits lead 500 ft. was utilized for construction of U/S and D/S Gandas and damaged left bank of escape channel.

PART - B

Complete recovery had been effected and got verified by Audit.

The Committee accepted the explanation of department and **the para was settled.**

20. Para No.25 Pages 32 & 33 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.152 Million on Account of Excess Quantities

17.04.2007 The Department admitted the recovery and stated that the concerned DDO was responsible for payments of works.

The Committee **kept the para pending** with the directions that the recovery be made at the earliest.

21. Para No.26 Page 33 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.122 Million Due to Non-Adjustment of Old Material

17.04.2007 The Department explained that total recovery had since been made and got verified by audit.

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

22. Para No.27 Pages 34 & 35 of Audit Report for the year 2001-2002; Non-Recovery of Advance Payment Rs.0.165 Million.

16.04.2007 The Department explained that the record of the Excavator Division, Faisalabad was verified by audit after which the para had been reduced to Rs.68,964/- which had been recovered from the concerned division and accounted for in the monthly accounts for 06/2004.

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

23. Para No.30 Page 37 of Audit Report for the year 2001-2002; Non-Recovery/ Adjustment of Rs.1.765 Million on Account of Expenditure Incurred Excess of Budget Allotment.

16.04.2007 Audit had pointed out for non recovery/adjustment of 1.765 million on account of expenditure incurred in excess of budget allocation.

The Department explained that the para consisted of two advance para:

1- AP No. 9534

The Department explained that the case had been referred to the FD for verification of grant.

2- AP No. 9540

The Department explained that Rs. 8,819/- and 5,431/- had been recovered from the concerned XENs and the case for recovery of balance amount of Rs. 15,533/- had been referred to the Administrative Secretary for recovery from the concerned officers/officials.

The para was kept pending.

24. Para No.31 Page 38 of Audit Report for the year 2001-2002; Non-Recovery/ Adjustment of Rs.0.428 Million on Account of Non-Closure of Manufacture Account

16.04.2007 The Department explained that the inquiry under “the Punjab Employees Efficiency, Discipline and Accountability Act 2006” was under process.

The Committee **kept the para pending** with the directions that the inquiry be completed within 90 days.

25. Para No.32 Pages 38 and 39 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.336 Million Due to Shortage of Material.

31.03.2006 The Department explained that the air conditioner had been traced-out and the balance amount of shortage i.e. Rs.285,650/- existed against Mr. Akeel Ahmed, Sub-engineer (Deceased) of Shahdara Section and the case for write off sanction had been moved.

The Committee **kept the para pending** with the directions that a fresh inquiry be held in the matter and responsibility be fixed within 90 days.

26. Para No.33 Pages 39 & 40 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.748 Million on Account of Sale Proceeds of Farm Products.

30.03.2006 The Department explained that an amount of Rs.577,428/- had been recovered and the Director, Land Reclamation assured that the balance recovery would be made by Rabbi Crop Season this year.

The Committee **kept the para pending** for verification of the recovered amount and directed that the balance amount be recovered at the earliest.

27. Para No.34 Pages 40 & 41 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.077 Million on Account of Cost of Dismantled Materials.

28. Para No.40 Pages 45 and 46 of Audit Report for the year 2001-2002; Non-Recovery/Adjustment of Rs.18.064 Million Outstanding Against Officers/Officials

29. Para No.49 Pages 54 & 55 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.386 Million Due to Non-Provision in Technical Sanction Estimate

30. Para No.50 Page 55 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.067 Million on Account of Consultancy Charges.

30.03.2006 The Committee noticed that the working papers were incomplete and the audit comments were not incorporated in the working papers.

These paras were kept pending with the directions that the records be got verified by Audit within 90 days.

31. Para No.35 Pages 41 & 42 of Audit Report for the year 2001-2002; Non-Recovery of Rs.9.672 Million on Account of Drainage Charges.

16.04.2007 The Department explained that the register of demand and recovery of drainage charges was being maintained by the division. An amount of Rs. 329,133/- had since been recovered from the industries of District Sheikhpura & Gujranwala and

credited to revenue under head of account 1-1262-DR in the monthly accounts. For the remaining dues, notices were issued in 2002 to the defaulters but they refused to receive the same. Reference had been made to DCO, Gujranwala and Sheikhpura for recovery of the outstanding drainage charges as arrears of land revenue.

The Committee **kept the para pending** for balance recovery, with the directions that the mechanism for timely recovery of drainage charges be framed by the department.

32. Para No.36 Pages 42 & 43 of Audit Report for the year 2001-2002; Short Recovery of Rs.79.522 Million On Account of Non-Receipt of Prior Deposit from Client Agencies/Divisions

17.04.2007 The Department explained that the para related to 29 divisions and the matter was of the internal adjustment within the divisions.

The Committee **kept the para pending** with the directions that the internal adjustment be made till the June 30, 2007.

33. Para No.37 Page 43 of Audit Report for the year 2001-2002; Non-Recovery of Rs.1.090 Million on Account of Rest-House Charges.

30.03.2006 The Department explained that the Canal Rest House, Khanpur was occupied by Pak Army Monitoring Team from 01/1999 to 2001 and 03/2001 to October 2001 and Canal Rest House Khanbela was occupied by an Army officer of 24-Engineering Battalion, who was supervising the construction of KLP Road by FWO. The Department was making efforts to recover the rest house charges from the Army authorities.

The Committee **kept the para pending** with the directions that vigorous efforts be made to effect the recovery of Government dues.

34. Para No.39 Page 45 of Audit Report for the year 2001-2002; Non-Recovery/Adjustment of Rs.0.168 Million on Account of Non-Closure of Manufacture Account.

17.04.2007 The Department explained that the total outstanding amount in the PW Misc. advance against various divisions had been recovered and adjusted in the monthly account. However audit contented that expenditure was incurred from the wrong head in violation of the instructions of the Finance Department.

The para was kept pending for regularization of the expenditure by the competent authority.

35. Para No.40 Pages 45 and 46 of Audit Report for the year 2001-2002; Non-Recovery/Adjustment of Rs.18.064 Million Outstanding Against Officers/Officials

30.03.2006 Audit stated that department had not got the record verified pertaining to above paras and no comments could be offered in the matter.

The para was kept pending with the direction that department should get the record verified by audit within 60 days.

31.03.2006 The Department explained that a sum of Rs.233,674/- had been recovered and Rs.72,219/- had been adjusted from O&M funds.

The Committee **kept the para pending** with the directions that the recovery be got verified by audit and the balance amount be recovered/adjusted within 60 days otherwise the same should be recovered from the Chief Engineer concerned.

(40.3) Lower Chanab Canal (W) Jhang Rs.0.308 Million.

16.04.2007 The Department explained that as a result of verification of record the adjustment/duplicacy amount to Rs.298,244/- was verified and the remaining amount of Rs.9,679/- had been recovered and got verified by audit.

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

(40.7) Upper Gogera Division Sheikhpura Rs.0.856 Million.

16.04.2007 The Department explained that the expenditure of Rs. 0.856 million relating to this division involved in para had been incurred on Running of Vehicles and 5 No. works. However, the payment was made in order to comply with the order of Hon'able Provincial Mohtasib Punjab, Lahore which had been adjusted and accounted for in the Monthly Account of 11/2005 and 01/2006.

The Committee **kept the para pending** for condonation by Finance Department and verification of record by audit.

(40.8) KHUSHAB IRRIGATION DIVISION MIANWALI RS.0.389 MILLION

17.04.2007 The Department explained that Rs.0.44 million related to the Sargodha Zone and a sum of Rs.94,862/- had been recovered and the balance amount would be recovered within three months.

The para was kept pending.

36. Para No.41 Pages 46, 47 & 142 of Audit Report for the year 2001-2002; Non-Recovery of Rs.28.184 Million On Account of Water Charges

(41.1) IRRIGATION DIVISION SARGODHA, Rs.0.446 Million.

17.04.2007 The Department explained that Rs.121,854/- had been recovered and the balance amount would be recovered by the 30th June 2007.

The para was kept pending for balance recovery.

(41.3) KHUSHAB IRRIGATION DIVISION MIANWALI, Rs.0.140 Million.

17.04.2007 The Department explained that a reference would be made to the FD for at source deduction from TMA after final notice. The notice would be served within a week.

The para was kept pending.

(41.5) UPPER JHELUM CANAL DIVISION JHELUM, Rs.0.056 Million

17.04.2007 The Department explained that a sum of Rs.1,278/- had been recovered and the case for write off Rs.7,873/- relating to died persons had been moved to the Finance Department.

The Committee **kept the para pending** for recovery of balance amount.

37. Para No.46 Page 51 of Audit Report for the year 2001-2002; Theft of Material of Rs.0.765 Million.

31.03.2006 The Department explained that the matter was inquired into and as a result of the inquiry, the case for write off sanction had been moved which had been received in the office of the Secretary on 28.3.2006.

The Committee **kept the para pending** with the directions that a fresh inquiry be initiated in the matter and responsibility be fixed under intimation to PAC within 90 days.

38. Para No.48 Pages 53 & 54 of Audit Report for the year 2001-2002; Irregular Execution of Work Rs 0.323 Million.

16.04.2007 The Department admitted the irregularity and stated that the case for condonation of irregularity had been moved to the Finance Department.

The Committee **settled the para subject to** condonation of irregularity by Finance Department.

39. Para No.51 Page 56 of Audit Report for the year 2001-2002; Non-Credit of Lapsed Deposits to Revenue for Rs.1.014 Million.

31.03.2006 The Department explained that an amount of Rs.650,609/- had already been credited to Revenue Account and the balance amount of Rs.363,529/- had also been credited in the monthly account for January 2006.

The para was settled subject to verification of departmental contention/record by audit.

40. Para No.52 Pages 56 and 57 of Audit Report for the year 2001-2002; Unauthorized Payment of Rs.4.388 Million Without Enhancement of Agreement

31.03.2006 The Department explained that during the execution of work, the cost, scope and specifications of the original proposal were modified with prior approval of the Chief Engineer. The civil works were completed at a cost of Rs.23.96 million, whereas the mechanical works were completed through MIW, at a cost of Rs.8.829 million, thus overall cost of package "A" was reduced from Rs.50.32 million to Rs.33.32 million, revision of "AA" was therefore not required. However, due to increased cost of civil works, the enhancement of the contract agreement was required, which was under process.

The Committee **kept the para pending** with the directions that inquiry be held for not obtaining prior sanction to enhancement of agreement and responsibility be fixed within 90 days.

41. Para No.53 Pages 57 & 58 of Audit Report for the year 2001-2002; Non-Credit of Lapsed Deposits to Revenue of Rs.0.548 Million.

30.03.2006 The Department explained that the amount of Rs.547,761/- had been recovered and deposited into the government treasury. The record had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

42. Para No.56 Pages 60 and 61 of Audit Report for the year 2001-2002; Irregular Allotment/Execution of Work Worth Rs.1.350 Million.

31.03.2006 The Department explained that inquiry had been initiated in the matter and the statement of allegations had been received in the office of Administrative Secretary.

The Committee **kept the para pending** with the directions that the disciplinary action be completed within 90 days.

43. Para No.62 Pages 66 & 67 of Audit Report for the year 2001-2002; Loss of Rs.0.165 Million on Account of Acceptance of Tenders at Higher Rate.

16.04.2007 The Department explained that the tender was invited before TS estimate in emergency which was later on technically sanctioned by the competent authority at the rates quoted by the lowest bidder i.e. 40% below CSR 1998. But the said contractor did not start the work and his earnest money was forfeited as per agreement. Fresh tenders were invited through press after revised TS estimate and the work was got completed through lowest bidder.

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

44. Para No.63 Pages 67 & 68 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.863 Million on Account of Non-Closure of Manufacture Account

16.04.2007 The Department explained that notices for recovery had been issued to the concerned officers and cases for write off in respect of the officers who had died had also been submitted to the competent authority.

The Committee **kept the para pending** with the directions that recovery/write off be made within 90 days.

45. Para No.64 Pages 68 & 69 of Audit Report for the year 2001-2002; Irregular Execution of Works Rs.1.061 Million

16.04.2007 The Department explained that inquiry had been completed and report had been submitted to the competent authority on 14.4.2007.

The Committee **kept the para pending** with the directions that the final decision be taken within 60 days.

46. Para No.65 Pages 69 & 70 of Audit Report for the year 2001-2002; Irregular Execution of Works Worth Rs.1.132 Million.

16.04.2007 The Department explained that as a result of the disciplinary proceeding against Mian Muhammad Zubair Zafar, XEN, Mr. Javed Haider Awan, SDO and Mr. Muhammad Azeem, Sub-Engineer had been awarded the penalty of reduction to a lower stage in Pay Scale for a period of two years. It was also stated that the case for condonation of irregularity had been submitted to the FD.

The Committee **settled the para subject to** condonation of irregularity by Finance Department.

47. Para No.66 Pages 70 & 71 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.2.974 Million on Account of Non-Closure of Manufacture Account

16.04.2007 The Department explained that the amount of Rs.2.974 million had since been adjusted vide TE No. 1 dated 17.3.2006 and accounted for in the monthly accounts for the month of 04/2006.

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

48. Para No.67 Pages 71 & 72 of Audit Report for the year 2001-2002; Irregular Acceptance of Tender of Rs.0.114 Million

17.04.2007 The Department explained that as per TS accorded by SE Thal vide No. 386/108-R dated 9.1.1995 for Rs.4,511,777/- tenders were called through advertisement in the national newspapers. The following works were executed:-

S.No.	Name of work	Tender Amount
1.	Restoration of Layyah Town Flood protection Bunda RD: 0-5000	1900000/-
2.	Restoration of Layyah Town Flood protection Bunda RD:-5000-9500	1711000/-
Total:-		3611000/-

The tenders were approved by SE, Thal circle as per details given below:-

S.No.	Name of work	Tender Amount
1.	Approval accorded vide Superintending Engineer, Thal No. 12637/29-AI, Ly dated 27.11.1994.	2041000/-
2.	Approval accorded vide Superintending Engineer, Thal No. 12637/29-AI, Ly dated 27.11.1994.	2319000/-
Total:-		4360000/-

It was also stated that the difference of TS amount was Rs.151773/- which was on lesser side, Technical Sanction amount was greater than tenders.

The Committee accepted the explanation of the department and **the para was settled.**

49. Para No.68 Pages 72 & 73 of Audit Report for the year 2001-2002; Irregular Acceptance of Tender of Rs.0.880 Million

17.04.2007 The Department stated that an inquiry was under process.

The Committee **kept the para pending** with the directions that the inquiry be completed within 90 days, responsibility be fixed and recovery be made from the responsible officers.

50. Para No.69 Page 73 of Audit Report for the year 2001-2002; Irregular Execution of Works of Rs.2.710 Million.

30.03.2006 The Department explained that the estimate of the works repairing 1-MB RD:0-9000 and strengthening RMB RD:17750-21000 was technically sanctioned for Rs.2,704,899/- and Rs.2,980,483/- by the Chief Engineer on 29-6-2002 and 16.9.2003 respectively. However, the audit contended that the works were awarded before sanction of estimates in violation of rules.

The Committee **kept the para pending** with the directions that the matter be inquired by the Administrative Secretary within 90 days and if the irregularity was proved than disciplinary action be taken against the responsible.

51. Para No.70 Page 74 of Audit Report for the year 2001-2002; Loss of Rs.0.091 Million On Account of Non-Auction of Trees

17.04.2007 The Department explained that the para related to the Forest Department and requested that it should be transferred to the concerned department.

The Committee accepted the request of the department and desired that **the para be transferred to Forest Department.**

52. Para No.71 Pages 74 & 75 of Audit Report for the Year 2001-02; Shortage of Stock Worth to Rs.14.849 Million

31.05.2007 The Department explained that the record of 11 Million was available for verification and the balance amount related to the ex-XEN Mr. Manzar Qayyum who was absconding. It was further stated that a probe committee headed by Superintendent Engineer had been constituted to trace out the record and fix the responsibility.

The Committee **kept the para pending** with the directions that the inquiry report be completed with in 90 days.

53. Para No.72 Page 75 of Audit Report for the Year 2001-02; Un-authorized Execution of Work Worth Rs.31.777 Million

31.05.2007 The Department explained that the para consist of three advance paras:-

- a) Advance para No.1605= Rs.14086501/-
- b) Advance para No.1711= Rs.5007993/-
- c) Advance para No.16112= Rs.12682004/-

The Department explained that an enquiry had been initiated headed by Superintendent Engineer to find out the facts and fix the responsibility.

The Committee **kept the para pending** with the directions that the recovery be completed within 90 days.

54. Para No.77 Pages 80 & 81 of Audit Report for the year 2001-2002; Non-Accountal of Store Worth Rs.0.577 Million.

16.04.2007 The Department explained that the stock, storage charges were inevitable expenditure and was required to be adjusted while issuing the stores. The storage charges had been traced back upto 1994 beyond which the relevant record could not be traced due to repeated shifting of the division. It was also stated that there was no financial loss to the government as only adjustment of expenditure already booked against appropriate head of account was required. The Department assured that the adjustment and write off would be made at the earliest.

The Committee **kept the para pending** with the directions that the adjustment/write off be made within 60 days.

55. Para No.78 Pages 81 & 82 of Audit Report for the year 2001-2002; Non-Accountal of Stock Worth Rs.16.449 Million.

30.03.2006 The Department stated that record pertaining to the aforesaid para was lying with the Deputy Director, Anti-Corruption Establishment, Multan who had been requested to return the same.

In view of the explanation of the Department the Committee desired that the Anti-Corruption Establishment be requested to provide the relevant record to Irrigation & Power Department for verification by Audit.

The para was kept pending.

56. Para No.79 Page 82 of Audit Report for the Year 2001-02; Non-auction of Unserviceable Material Rs.0.206 Million

31.05.2007 The Department explained that the auction notice had been published in the daily newspaper and the auction would be held on 11.6.2007.

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

57. Para No.80 Page 83 of Audit Report for the year 2001-2002; Wasteful Expenditure of Rs.9.969 Million on Account of Purchase of Machinery

17.04.2007 The Department explained that the machinery for pumps houses were purchased in 1994 and the same remained idle till 1998 and were again reinstalled in 2003-04.

The Committee **kept the para pending** with the directions that a fact finding inquiry be conducted and responsibility be fixed within 90 days.

58. Para No.82 Pages 85 & 86 of Audit Report for the year 2001-2002; Non-Production of Record for Payment of Rs.0.973 Million.

16.04.2007 Audit had pointed out the following four observations:

1. Tenders were called on 25.5.2001 and opened on 7.6.2001 whereas TS estimate were accorded on 7.6.2001 and 2.6.2001.
2. The Department also splited the one repair work in three groups and the works were awarded on three different rates i.e. 47%, 45% below on CSR 1998.
3. Payment of Rs.10,000/- on account of advertisement charges was charged to M&R Head.
4. Accounts to clause 48 and item-d memorandum of work. Security deposit was required to be deducted @10% of works done whereas in the works under objection 20% security deposit was deducted which showed the execution of work at below specification or less measurement which needed justification.

The Department admitted the irregularity and stated that the observation No. 1, 2 and 3 would be condoned/regularized by the FD. However, the observation at serial No. 4 was not justified.

The Committee **settled the para subject to** condonation/regularization of serial No. 1, 2 and 3.

**LABOUR
&
MANPOWER**

The para was discussed in the meetings of PAC-II held on 16.08.2006, 17.08.2006 & 16.05.2007.

Audit Paras (Commercial) for the year 2001-2002

1. Para No.83 Page 91 of Audit Report for the year 2001-2002; Working Results

16.08.2006 The Department explained that the accounts for the year 2001-2002 had already been provided to the commercial audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled with the directions that the accounts be submitted well in time in future.

Audit Paras (Civil) for the year 2001-2002

2. Para No.1 Page 7 of Audit Report for the year 2001-2002; Non-Deposit of Sale Proceeds of Prospectus Amounting to Rs.160,557/-

16.08.2006 The Department explained that a sum of Rs.188,956/- regarding sale proceed of prospectus had already been deposited into the relevant head of account of the institution on close of each admission during the period from 7/89 to 6/98 and record was available for verification.

The Committee **settled the para** with the directions that the record be got verified by audit within one week.

3. Para No.2 Pages 7 & 8 of Audit Report for the year 2001-2002; Shortage of Store Articles Worth Rs.370,151/-

16.08.2006 The Department explained that total recovery had been affected and deposited into the government treasury.

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

6. Para No.3 Page 8 of Audit Report for the year 2001-2002; Rs.61,613/- Not Credited to Govt. Account.

17.08.2006 The Department explained that total amount had been deposited in the government treasury and got verified by the District Accounts Officer concern.

The Committee **settled the para subject to credit verification** by audit.

7. Para No.4 Page 9 of Audit Report for the year 2001-2002; Non-Recovery of Interests to the Tune of Rs.585,736/- on Account of Irregular/Unauthorized Retention of Government Receipts Amounting to Rs.844,000/-

17.08.2006 The Department explained that an inquiry was conducted into the matter and as per the inquiry report a sum of Rs.844,000/- had been recovered from Mr. Rab Nawaz, Repairer a private person. A criminal case was under trial against him and the next date for hearing was fixed for 9-9-2006.

The Committee **settled the para** with the directions that the case in the court be perused vigorously.

4. Para No.5 (a) Pages 9 & 10 of Audit Report for the year 2001-2002; Recovery of Rs.168,000/- on Account of Use of Air Conditioners.

16.08.2006 The Department explained that the dues of electricity had already been paid according to sub-meters reading as per WAPDA domestic rates in the light of decision of the Lahore High Court, Lahore. Moreover, the officers concerned residing in the staff colony had filed affidavits on stamp papers for not use of air-conditioners.

The Committee accepted the explanation of the department and **the para was settled.**

5. Para No.5 (b) Page 10 of Audit Report for the year 2001-2002; Loss of RS.154,136/- Due to Charging of Electricity at Lesser Rate from the Occupants

16.08.2006 The Department explained that the dues of electricity had been paid according to sub-meters readings as per WAPDA domestic rates and deposited into the government treasury.

Audit was of the view that the electricity was being supplied to the residential colony through sub-meters and charges were collected for Rs.2.45 per unit as domestic rate whereas the institute was supplied electricity to one meter by charging Rs.6.45 per unit on bulk supply. Resultantly, Government was put into loss due to less charging of Rs.5 per unit from the occupants.

The Department stated that the WAPDA authority had rejected the department request for installation of separate electric meter.

The Committee **kept the para pending** with the directions that the department should calculate whether the commercial rates or bulk supply rates were in the interest of the institution.

6. **Para No.8 Page 12 of Audit Report for the year 2001-2002; Outstanding Recovery of Rent of Canteen and Cycle Stand Amounting to Rs.81,628/- Recovery Therefore**
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16.08.2006 The Department explained that the actual recovery was Rs.29,528/- instead of Rs.18,628/-. Efforts were being made for the recovery.

The Committee **kept the para pending** with the directions that the reduction be got verified by audit and balance recovery be made at the earliest.

7. **Para No.11 Page 14 of Audit Report for the year 2001-2002; Excess Payment of Rs.77,758/- on Account of Grant of Unlawful Advance Increments-Recovery Thereof**
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16.08.2006 The Department explained that in the light of the Supreme Court's decision, the recovery from the officer concerned was not affected.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

8. **Para No.14 Page 16 of Audit Report for the year 2001-2002; Irregular Drawl of House Rent Allowance and Conveyance Allowance-Recovery of Rs.47,965/- Thereof.**
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17.08.2006 The Department explained that Rs.27,535/-, Rs.16,315/- and Rs.936/- had been deposited into the government treasury. However, Mr. Muhammad Sadiq who was compulsorily retired had filed an appeal against the impugned order in the PST and same pending was adjudication.

The Committee **kept the para pending** with the direction that the disciplinary action be taken against the concerned DDO and the balance recovery be made within 90 days.

9. **Para No.15 Page 17 of Audit Report for the year 2001-2002; Unlawful Payment of House Rent Allowance and Non-Deduction of Rent @ 5% of pay from the Officials/Officers—Recovery of Rs.1,509,512/-**
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(15.1) District Labour Welfare Officer Kasur Rs.28,850/-

17.08.2006 The Department explained that an amount of Rs.3,000/- had been recovered and the remaining amount would be recovered in equal installment of Rs.300/- per month from the salary of the concerned official.

The Committee **kept the para pending** with the direction that the disciplinary action be taken against the concerned DDO and the balance recovery be made within 90 days.

(15.2) Government Technical Training Institute, Bahawlanagar: Rs.317,823/-

16.08.2006 The Department explained that the residences were allotted to the officers and officials of this institute in 1992 but the staff members had not agreed to occupy the residences due to non-availability of the allied facilities in near vicinity of the institute i.e. school and specially the drinking water of the institute was injurious to the health so they contacted to the analyst in this regard. The water was examined and declared contaminated and harmful for human life. Thereafter, the officials filed an appeal in the court on 28-6-1993 which was accepted and recovery was waived off from the each plaintiff by the court.

The Committee **settled the para** with the directions that the department should make efforts to make these residences live-able and a report in this regard be submitted to PAC within 60 days.

10. Para No.17.1 and 17.3 Page 19 of Audit Report for the year 2001-2002; Non-Deduction of Income Tax/Withholding Tax Amounting to Rs.701,622/- on Payments Regarding Rent of Buildings.

(17.1) Joint Director Labour Welfare South Zone, Lahore Rs.175,434/-**(17.3) Joint Director Labour Welfare North Zone, Lahore Region Rs.218,288/-**

17.08.2006 The Department explained that an amount of Rs.93,225/- had been deposited as income tax and the property No. 6-A, Salik Street, Old Muslim Town, Lahore never remained under tenancy of Directorate of Labour Welfare for the period from 7/1992 to 12/1997. During the said period, the Department was tenant of 39-A New Muslim, Lahore.

The Committee **settled the paras** to the extent of property No.39-A New Muslim Lahore and kept the part pending relating to property No. 6-A Salik Street, for verification.

21. Para No.19 Pages 20 & 21 of Audit Report for the year 2001-2002; Excess Payment of Rs.145,628/- of Residential Telephone Bolls Than the Prescribed Ceiling

(19.1) Secretary Government of Punjab, Labour & Manpower Department Lahore Rs.89,281/-

16.08.2006 The Department explained that in the light of the DAC decision dated 22.3.2002, the concerned officers had been requested to deposit the excess payment of residential telephone bills but no response had since been received till now.

The Committee **kept the para pending** with the directions that the office of the Accountant General, Punjab be requested to deduct the amount at source from their pay.

(19.2) Director Labour & Manpower New Muslim Town Lahore Rs.56,347/-

17.08.2006 The Department explained that a reference had been made to the FD for granting relaxation of the excess expenditure amounting to Rs.44,634/- incurred on the residential telephone of M/s. Tariq Feroz, Major ® Tahir Sadiq and Mr. Ejaz Ch. Former Directors Labour Department.

The Committee **settled the para subject to regularization** by the FD.

22. Para No.20 Pages 21 & 22 of Audit Report for the year 2001-2002; Non-Recovery of Interest on House Building Advance Amounting to Rs.145,551/-

(20.1) Secretary Government of Punjab, Labour Department, Lahore Rs.87,472/-

16.08.2006 The Department explained that the recovery regarding Mr. Maqbool Ahmed was being made by the AG Punjab but still balance of Rs.18,421/- was recoverable, so far as recovery from Rana Mehbood Alam was concerned no recovery had so far been made from him.

The Committee **kept the para pending** for balance recovery at the earliest.

(20.2) Director Labour Welfare Lahore Rs.58,079/-

17.08.2006 The Department explained that Rs.25,000/- had been recovered from Mr. Arshad Farooq, ex-Joint Director Labour Welfare and deposited into the government treasury. Mr. Tariq Feroz former DLW was on the strength of S&GAD and the AG Punjab had been requested for recovery from the salary of Mr. Tariq Feroz.

The Committee **kept the para pending** with the directions that the balance recovery be made at the earliest.

9. Para No.23 Pages 23 & 24 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.260,800/- on Account of Un-Authorized Use of Air-Conditioners- Recovery Thereof.

(23.1) Director Manpower Training Punjab, Lahore:-Rs.80,000/-

(23.3) Staff Training Institute Gulberg, Lahore:-Rs.32,000/-

16.08.2006 The Department explained that Directorate of Manpower & Training was comprised of Technical Training Apprenticeship Training, Vocational Training & Women Vocational Training Wings. Each wing was responsible to maintain vocational training activities in the province of Punjab. The computerized data in respect of trainee's

strength, staff particulars, courses development, training activities was maintained by each wing. Hence, ACs were installed in the computer rooms for such purposes. The installation of ACs in computer rooms was in line with the government instructions.

The Committee accepted the explanation of the department and **the paras were settled.**

11. Para No.24 Pages 24 & 25 of Audit Report for the year 2001-2002; Loss of Rs.110,000/- Due to Non-Auction of Agriculture Land.

16.08.2006 The Department explained that the para was discussed in the SDAC meeting held on 26.4.2002 and was settled.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

12. Para No.28 Pages 27 & 28 of Audit Report for the year 2001-2002; Irregular Deposit of Government Receipts Amounting to Rs.1,157,375/- in Private Banks

16.08.2006 The Department explained that the amount collected from participants of master crafts man and short courses were shared in two heads non-government and government. The government's shares @20% were Rs.231,475/- which had already been deposited after completing the all codal formalities.

The Committee **settled the para subject to verification** of 20% share by audit.

13. Para No.30 Page 30 of Audit Report for the year 2001-2002; Irregular Shifting of Headquarter of Civil Servants Amount Involved Rs.1,890,874/-

(30.1) Chief Medical Inspector Factories Lahore Rs.315,063/-

(30.2) Joint Director Labour Welfare (North Zone) Lahore Region Rs.149,785/-

(30.3) Director Centre for Improvement of working Conditions Environments Lahore Rs.355,789/-

(30.4) Director Labour Welfare Lahore Rs.886,912/-

17.08.2006 The Department explained that the officials were shifted due to urgent need and demand of subordinate offices to cater the work load due to ban on fresh recruitments. However, on the directions of the SDAC, the matter had been referred to FD for regularization.

The Committee **settled the paras subject to regularization** by FD.

(30.6) Government Technical Training Institute, Bahawlanagar: Rs.66,270/-

16.08.2006 The Department explained that the officers were deputed at Government Technical Training Institute, Depalpur by the order of the competent authority. However, in compliance of audit observation the officer concerned had been repatriated to original post.

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

14. Para No.32 Pages 31 & 32 of Audit Report for the year 2001-2002; Irregular Expenditure of RS.258,031/- on Purchase of Training Material.

16.08.2006 The Department explained that the Principal being category-II officer was competent to incur the expenditure in accordance with serial No. 3(a) Delegation of Financial Power Rules 1990. It was also stated that funds for training material were allocated under the head 59800.

However, audit was of the view that the budget under this head was not specific and the Principal was not competent to incur the expenditure of Rs.258,031/- on purchase of training material.

The para was kept pending with the directions that the department should inquire into the matter and if it was found that the expenditure was incurred beyond the competency that action be taken against the responsible.

14. Para No.33 Page 32 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.52,865/-

17.08.2006 The Department explained that the teaching aid material was purchased with the approval of the Chairman/Secretary of the Board in two steps who was competent in this regard. The funds allocated by the Punjab Workers Welfare Board did not come under the preview of audit. The Board had its own audit mechanism.

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

15. Para No.39 Page 37 of Audit Report for the year 2001-2002; Irregular Expenditure of RS.31,668/- on Account of Residential Telephone.

16.08.2006 The Department explained that the residential telephone had been provided to the joint Director (Technical Training) since 1985 with proper sanction of the competent authority.

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

1. Para No.40 Pages 37 & 38 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.101,090/- on Account of Appointment During Ban.

17.08.2006 The Department explained that the expenditure was incurred on account of salaries paid to the Naib Qasids, Drivers and Mali, the services of whom were indispensable for the smooth working of the court management. The Lahore High Court, Lahore had already settled the issue that the ban on fresh recruitment of ministerial staff/low paid staff was not applicable as per letter dated 27-1-1999.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

15. Para No.41 Page 38 of Audit Report for the year 2001-2002; Wasteful Expenditure of Rs.655,200/- on Account of Rent of Official Building.

17.08.2006 The Department explained that the office was established with an objective to safe-guard the interest/rights of the workers and enforce the provisions of the relevant labour laws and laws of Weight & Measures meticulously. However, the expenditure on account of the rent of office building and staff at Murree was incurred with the approval of the Finance Department.

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

23. Para No.43 Pages 39 & 40 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.101,152/- on Account of Printing Without Obtaining N.O.C. from Printing Press

16.08.2006 The Department explained that the para was discussed in the SDAC meeting held on 16-3-2002 and was settled on the grounds that the printing work was done on different occasions during the last five years and all the bills were less than Rs.5,000/- for which NOC was not required.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

24. Para No.44 Page 40 of Audit Report for the year 2001-2002; Irregular Purchase of Computers to the Tune of Rs.64,800/- Without Adopting Codal Formalities

16.08.2006 The Department explained that the para was discussed in the SDAC meeting held on 16.3.2002 and was settled on the grounds that the computer was purchased through Punjab Information Technology Board after fulfilling the prescribed procedure.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

16. Para No.48 Page 42 of Audit Report for the year 2001-2002; Irregular Reappropriation of Funds to the Tune of Rs.903,355/-

(48.1) Director Labour Welfare, Lahore Rs.564,180/-

17.08.2006 The Department explained that out of total amount of Rs.564,180/- a sum of Rs.316,780/- was transferred in the 2nd statement of Excess & Surrenders with the same primary unit of appropriation under the same grant of Directorate of Labour Welfare, Punjab according to the practice and standing instructions. An amount of Rs.247,400/- was re-appropriated from one primary unit to another inadvertently. The case for regularization had been submitted to the FD.

The Committee **settled the para subject to regularization** by the FD.

(48.2) Punjab labor Court No.9, Multan Rs.339,175/-

17.08.2006 The Department explained that the Punjab Labour Court No. 9, Multan was comprised of DG Khan, Multan Division and the Presiding Officer had to under take tours to Sahiwal, DG Khan and Muzaffargarh every month for the purpose of disposal of cases. The Government had allocated meager funds from 1996 to 1998 in the head of TA/DA and the Presiding Officer had re-appropriated an amount of Rs.339,175/- to meet the expenditure. However, the case for regularization had been submitted to the FD.

The Committee **settled the para subject to regularization** by the Finance Department.

17. Para No.49.2 Page 43 of Audit Report for the year 2001-2002; Non-Surrendering of Savings/Unspent Balances, Amounting to Rs.744,665/-

Workers Children Education Cess Multan RS.254,448/-

17.08.2006 The Department explained that the amount/funds allocated for teaching Aid by the Provincial Board of Management, Workers Children Education Cess, were utilized by the District Committee of the Management Workers Children's Education Cess headed by Chairman Zila Council, who was Chairman of the said committee. It was also stated that the committee was not lawfully competent to spend the amount until the prior approval of the board by the Committee. The recommendations of the District Committee had been submitted to Board for its approval. The case for regularization had also been referred to the Finance Department.

The Committee **settled the para subject to regularization** by the FD.

18. Para No.53 Pages 45 & 46 of Audit Report for the year 2001-2002; Irregular Drawl of Pay & Allowances Drawn Against Post Not Borne on Strength Amounting to Rs.125,143/-

17.08.2006 The Department explained that Mr. Ejaz Ahmed, JDLW had erroneously drawn his salary under the incorrect DDO code for the period 01-7-1998 to 30-4-1998. The matter had been submitted to the FD for condonation of the irregularities.

The Committee **settled the para subject to** regularization by Audit.

19. Para No.54 Page 46 of Audit Report for the year 2001-2002; Irregular Drawl of Amount, from Government Treasury Worth Rs.112,321/-

17.08.2006 The Department explained that an inquiry was conducted in the matter and as per inquiry report, the bills for the said amount were submitted to the District Accounts Officer, Multan under signature of the then DDOs/Presiding Officers before their transfer. The amounts were drawn and disbursed to the concerned quarters on the same day by Accountant, who was authorized by the DDOs. However, as per direction of the Audit, the case for regularization had been submitted to the Finance Department.

The Committee **settled the para subject to** regularization by the Finance Department.

20. Para No.55 Page 47 of Audit Report for the year 2001-2002; Irregular Payment of Rs.264,000/-

16.08.2006 The Department explained that the said drivers were deputed by the competent authority i.e. Directorate of Labour & Manpower. However, in compliance with the audit observation the said officials had been repatriated to their original place of posting.

The Committee **settled the para subject to verification** of authority by audit.

21. Para No.56 Page 47 of Audit Report for the year 2001-2002; Unjustified Expenditure of Rs.335,623/-

16.08.2006 The Department explained that the para was discussed by the SDAC in its meeting held on 26.1.2002 and was settled after verification of record.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

22. Para No.57 Page 48 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.89,421/- on Account of P.O.L. and Maintenance of Vehicles

16.08.2006 The Department explained that vehicle No. LHV-8452 was allocated to joint Director (VT), Vehicle No. LHV-254 was performing duty with Mr. Shahid Jamil, Deputy Director (TT) and Vehicle No. 4091 was performing duty with Deputy Director (Women) Headquarter. It was also stated that the vehicle were used for official purposes. No vehicle was used in private capacity.

The para was kept pending with the directions that the log books of the said vehicles be got verified by audit.

23. Para No.59 Pages 49 & 50 of Audit Report for the year 2001-2002; Irregular expenditure Over and Above the Budget Allocation Amounting of Rs.3,333,510/-

(59.1) Chief Medical Officer, Factories Rs.52,711/-

(59.2) District Labour Welfare Officer, Kasur Rs.199,465/-

(59.4) Director Centre of Improvement of Working Condition Environments Lahore (Town Ship-1) Rs.197,596/-

(59.6) Joint Director Labour Welfare South Zone, Lahore Rs.530,538/-

(59.8) Director Labour Welfare (North Zone) Lahore Rs.464,056/-

17.08.2006 The Department explained that the expenditure incurred excessively was mainly under head of Pay & Allowances due to grant of *ad hoc* relief by the government to its employees. However, on the directions of the SDAC dated 26.3.2003, the case had been referred to the FD for regularization.

The Committee settled the para subject to regularization by the FD.

(59.3) Staff Training Institute Gulberg, Lahore:-Rs.238,679/-

16.08.2006 The Department explained that the expenditure was incurred according to PC-I after completing all codal formalities. Record was available for verification.

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

(59.5) Director Labour Welfare 62-New Muslim Town, Lahore Rs.283,674/-

17.08.2006 The Department explained that para had already been settled in the SDAC meeting held on 3.6.2002.

The para was settled.

24. Para No.63 Page 53 of Audit Report for the year 2001-2002; Non-Production of Fee And Hostel Record, Amounting to Rs.1,237,500/-.

16.08.2006 The Department explained that the relevant record of deposit of admission, tuition fee and hostel etc. were deposited in the government treasury and record was available for verification.

The Committee **kept the para pending** for verification within a week.

25. Para No.64 Page 53 of Audit Report for the year 2001-2002; Non-Production of Record for Payment of Utility Bills Amounting to Rs.392,892/-

17.08.2006 The Department explained that the record pertaining to utility bills had been misplaced, the same could not be traced out despite efforts. Inquiry was conducted into the matter and responsibility had been fixed. However, the concerned department WASA, WAPDA, T&T and Sui Gas had been requested to verify the payment of amount paid against the missing bills. WASA & WAPDA had issued clearance certificate and the matter was under process with the other departments.

The Committee **settled the para subject to verification** of clearance certificates by audit.

26. Para No.65 Page 54 of Audit Report for the year 2001-2002; Non- Production of Record of Payment for Rs.6,152,435/-

(65.1) Presiding Officer Punjab Labour Court No.2 Lahore Rs.6,152,435/-

17.08.2006 The Department explained that the relevant record/supporting documents like paid vouchers, stock entries etc. relating to the years 1992-93 to 1999-2000 were burnt out due to short circuit of electric wire during May 2000 and the case was got registered with Police Station, Muslim Town, Lahore. The matter was also investigated and the Chowkidar was charge-sheeted and proceeded against under the Punjab Government Servants (Efficiency & Discipline Rules). It was not possible for the Department to produce the record which was destroyed by the fire. However, the cash book maintained by this office was available in the office for verification and a reference had been submitted to the FD for seeking advice to decide the fate of this audit para.

The para was kept pending till the advice received by the FD.

(65.2) District Labour Welfare Officer Kasur.

17.08.2006 The Department explained that Abdul Rasheed, Labour Officer was maintaining and keeping the record, who had been expired. Efforts were made to trace the

complete record but partial record had been traced. The remaining record was not available. An inquiry was conducted and Mr. Abdul Rasheed (late) was found responsible.

The Committee **kept the para pending** with the directions that the matter be got reinvestigated and inquiry be completed within 90 days under intimation to PAC.

27. Para No.66 Page 55 of Audit Report for the year 2001-2002; Un-justified Payment of Scholarship Amounting to Rs.2,043,331/-

17.08.2006 The Department explained that the list of scholarships/worker's children to whom scholarships were paid duly approved by the District Committee of Management Workers Children Education Cess were on record. The counter foils of all the cheques issued during the period were available for verification.

The Committee **settled the para** with the directions that reconciliation of PLAs be done in future.

28. Para No.67 Page 56 & 57 of Audit Report for the year 2001-2002; Non-Production of Record Against Expenditure of Rs.523,735/-

(67.1) Punjab Labour Court No.2 Lahore Rs.84,140/-

17.08.2006 The Department explained that all the District & Session Judges were exempted from the maintenance of log books of the official's vehicle in their use. However, the POL bills had been got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

(67.3) Secretary Government of Punjab, Lahore Rs.372,298/-

16.08.2006 The Department explained that the log books of the concerned vehicle had been received from the concerned offices and were available for verification.

The Committee **settled the para** with the directions that record be got verified by audit.

GENERAL OBSERVATION/DIRECTION

16.5.2007 The Committee observed that the working papers submitted by the department were without audit comments and deferred the consideration of the paras with the directions that the audit comments be obtained within one month.

**LAW
&
PARLIAMENTARY
AFFAIRS**

The paras were discussed in the meeting of PAC-II held on 30.11.2006.

Audit Paras (Civil) for the Year 2001-2002

1. **Para No. 1.1 Page 7 of Audit Report for the year 2001-2002; Recovery of Rs.422,507/- Due to Non-Deduction Income Tax.**

Solicitor Government of the Punjab, Lahore – Rs.182,131/- + Rs.63,795/- (Rs.63,795/-)

30.11.2006 The Department explained that the individual claims of each State council were very low. Most of them had their claims less than 1,000/- per month and the annual does not exceed to three to four thousand which does not fall within the taxable limit. Even then 3% income tax had been deducted from the claims upto Rs.2,000/- per month as a precaution. It was further stated that the state councils were supposed to submit their income tax returns annually.

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

2. **Para No.1.1 Page 7 of Audit Report for the year 2001-2002; Recovery of Rs.422,507/- Due to Non-Deduction of Income Tax.**

Solicitor Government of the Punjab, Lahore – Rs.182,131/- + Rs.63,795/- (Rs.182,131/-)

3. **Para No.3.3 Page 9 of Audit Report for the year 2001-2002; Non-Maintenance of Telephone Trunk Call Register. Expenditure of Rs.717,404/-**

Solicitor Government of the Punjab, Lahore – Rs.169,007/-

4. **Para No.8.1 Pages 12 & 13 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.250,023/- on Account of Repair of Furniture.**

Solicitor Government of the Punjab – Rs.50,303/-

5. **Para No.9.1 Pages 13 & 14 of Audit Report for the year 2001-2002; Irregular Repair of Vehicles for Rs.576,364/-**

Solicitor Government of the Punjab, Lahore – Rs.165,180/-

6. Para No.10 Page 15 of Audit Report for the year 2001-2002; Irregular payment of Rent Rs.4,190,326 Recovery of Rs.238,037/-

30.11.2006 The Department explained that the paras were discussed by the SDAC in its meeting held on 9-8-2003 and were settled after verification of record.

On the recommendation of audit, **the paras were settled.**

7. Para No. 1 Page 7 of Audit Report for the year 2001-2002; Recovery of Rs.422,507/- Due to Non-Deduction Income Tax.

(1.2) Advocate General Punjab, Lahore – Rs.82,328/- + Rs.60,895/-

30.11.2006 The para consisted of two parts:-

- (A) The Department explained that the individual claims of each State council were very low. Most of them had their claims less than 1,000/- per month and on calculation their total amount in a year come to three to four thousand which did not fall within the taxable limit. Even then 3% income tax had been deducted from the claims upto Rs.2,000/- per month as a precaution. It was further stated that the state councils were supposed to submit their income tax returns annually.
- (B) The petty purchases were made from various parties and many claims pertained to cash memos where no tax was chargeable. However, the tax had been deducted on amounts over Rs.25,000/-.

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

(1.3) Secretary, Law & Parliamentary Affairs – Rs.33,358/-

30.11.2006 The Department explained that an amount of Rs.33,358/- related to our department. It is further submitted that petty purchases were made from different firms and many of them pertained to cash memos purchases, where no tax was chargeable. It was further stated that Rs.19,142/- related to the purchases of newspapers and periodicals which were exempted from the income Tax.

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

8. Para No.2 Page 8 of Audit Report for the year 2001-2002; Recovery of Rs.69,054/- on Account of Sales Tax not Deposited.

30.11.2006 The Department explained that all the contingent bills were pre-audited by the Accountant General Punjab and the instructions regarding calculations of such tax were received in the department by the end of 2001. It was further stated that the amount of GST as

shown by the audit was irrevocable and was payable from one government to the other government. However the department assured that such lapse would not be repeated in future.

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

9. Para No.3.1 Page 9 of Audit Report for the year 2001-2002; Non-Maintenance of Telephone Trunk Call Register Expenditure of Rs.717,404/-

Secretary Law & Parliamentary Affairs – Rs.242,088/-

30.11.2006 The Department explained that only Rs.169,007/- pertained to the department.

Amount of private calls had already been deposited into government treasury vide challan No. 32-A. Remaining all trunk calls were made for official purpose. A certificate of official trunk calls had already been given in the telephone trunk call register.

The para was settled.

10. Para No.3.2 Page 9 of Audit Report for the year 2001-2002; Non-Maintenance of Telephone Trunk Call Register Expenditure of Rs.717,404/-

Advocate General Punjab, Lahore – Rs.306,309/-

11. Para No.4 Pages 9 & 10 of Audit Report for the year 2001-2002; Doubtful Disbursement of Salary Worth Rs.1,599,089/-

30.11.2006 The Department explained that the requisite record had been produced to audit which had verified the same and recommended the paras for settlement.

On recommendation of audit, **the paras were settled.**

12. Para No.5 Page 11 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.727,305/- on Account of Purchase of Stationery.

30.11.2006 The Department explained that the stationary articles were purchased on the different dates and shops, there was no need to obtain the quotation upto Rs.2,500/-. The expenditure was inevitable to run the office functions.

However, the audit contented that the expenditure was splited up and actual payees receipts were not available. Moreover, the purchases were made at higher rate than prevailing markets rates.

The Department requested that the expenditure would be got regularized by the competent authority.

The Committee **settled the para subject to** regularization by the competent authority.

13. Para No.6 Pages 11 & 12 of Audit Report for the year 2001-2002; Un-Authorized Re-Appropriation of Funds Rs.240,000/-

30.11.2006 The Department explained that the re-appropriation was made within the competency of the Advocate General and to meet the recurring liabilities. The re-appropriation was allowed by the Finance Department in revised estimates.

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

14. Para No.7 Page 12 of Audit Report for the year 2001-2002; Un-Authorized Drawal of Salary Rs.2,521,683/-

30.11.2006 The Department explained that the para was discussed in the SDAC meeting held on 26.7.2005 and was settled.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

15. Para No.8.2 Pages 12 & 13 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.250,023/- on Account of Repair of Furniture.

Advocate General, Punjab, Lahore – Rs.199,720/-

30.11.2006 The Department explained that Rs.199,720/- related to this department and all the repairs were made after fulfilling all the codal formalities.

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

16. Para No.9 Pages 13 & 14 of Audit Report for the year 2001-2002; Irregular Repair of Vehicles for Rs.576,364/-

(9.2) Advocate General, Punjab, Lahore – Rs.212,480/-

30.11.2006 The Department explained that Rs.212,480/- related to this department and all the repairs were made after fulfilling all the codal formalities.

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

(9.3) Secretary Law & Parliamentary Affairs – Rs.198,704/-

30.11.2006 The Department explained that Rs.798,704/- related to our department and all the expenditure were made after observing the due formalities.

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

17. Para No.11 Pages 15 & 16 of Audit Report for the year 2001-2002; Un-Necessary Purchase of Photostat Papers Worth Rs.126,148/-

30.11.2006 The Department explained that off-set paper of 68 grams was used in the office because the government cases were filed in the Supreme Court of Pakistan, High Court and Federal Shariat Court for which the best paper was supposed to be used.

Audit contented that the Department had purchased photo-state papers while the photo copiers of the office had not been working throughout the period under audit.

The Committee **kept the para pending** with the directions that an inquiry be made whether the off-set paper or photo-state papers were purchased and report be submitted to the PAC within 30 days.

18. Para No.12 Page 17 of Audit Report for the year 2001-2002; Non-Production of Log Books. Consumption of P.O.L. for Rs.289,576/-

30.11.2006 The Department explained that the log books had been properly maintained and the same were available for verification. However, the concerned officer had been warned to be careful in future.

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

**LIVE STOCK
&
DAIRY
DEVELOPMENT**

The paras were discussed in the meeting of PAC-II held on 28.10.2006.

Audit Paras (Civil) for the year 2001-2002

1. **Para No.1 Page 8 of Audit Report for the year 2001-2002; Misappropriation of Rs.1,904,583/- Out of Employees Contributory Provident Fund/Non – Deposit Feeding Charges**

2. **Para No.9 Page 16 of Audit Report for the year 2001-2002; Irregular Purchase of Feed and Non-Production of Vouched Account of Rs.478,066/-**

3. **Para No.27 Page 30 of Audit Report for the year 2001-2002; Non-Production of Record of Payment Amounting Rs.99,800/-**

4. **Para No.28 Pages 30 & 31 of Audit Report for the year 2001-2002; Non-Production of Vouched Account for Drawal of Rs.21,674,902/-**

5. **Para No.30 Pages 32 of Audit Report for the year 2001-2002; Non-Production of Disbursement Account for Payment of Rs.4,353,778/-**

28.10.2006 The Department explained that Mr. Zameer Haider Jafferri was working as Accountant and he left the office without any intimation on March 16, 2000. he took away all the relevant record with him. A notice regarding his absence was published in daily Nawa-i-Waqt on 12.4.2002 and an FIR No. 208/2000 was also got registered against him under Section 409ppc. After a lapse of two years on 10.5.2002, Mr. Zameer Haider Jafferri appeared in the court of Special Judge Anti-corruption, Lahore for pre-arrest bail but his bail was rejected and he was arrested very same day. Department action against the employee was also taken and he was dismissed from service w.e.f. 16.3.2000 and the Senior Member Board of Revenue had also been requested to affect the recovery from him as arrears of land revenue. It was also stated that now the said employee is on bail and his appeal for reinstatement in service was pending before the Punjab Service Tribunal.

The paras were kept pending with the directions that case be sent to the NAB.

6. **Para No.2 Pages 9 & 10 of Audit Report for the year 2001-2002; Misappropriation of Rs.761,313/- Due to Fraudulent Drawal of Pay and Allowances**

7. **Para No.26 Page 29 of Audit Report for the year 2001-2002; Failed Attempt to Draw Fictitious Pay and TA/DA Bills Valuing Rs.78,272/-**

28.10.2006 The Department explained that the Secretary, L&DD as authority in this case on receipt of the report of the Enquiry Officer and after hearing the accused officers/officials had observed that the original bills signed by the DDOs as well as the

bills bearing the allegedly forged signature were continuously cleared by the District Accounts Officer, Sargodha as well as the concerned branch of NBP during the period from 1995-2001 and this practice was never pointed out during re-conciliation of account by the District Accounts Office or the Bank till winding up the office of Deputy Director Sargodha under the PLGO 2001. Hence the bank and District Accounts Office, Sargodha could not be absolved of their liability in the fraudulent withdrawals of Govt. money amounting to Rs.761,313/-. Therefore the FD was approached on 19-10-2005 to conduct a probe against the DAO, Sargodha and all the accused officers/officials as well as to further investigate the role of Bank Authorities for the fraudulent drawl of Government Money amounting to Rs. 7,651,313/-. The Finance Department had referred the case to the Accountant General, Punjab, Lahore on 04-04-2006 to depute an officer not below the rank of an additional Accountant General to under-take a fresh inquiry with the Inquiry Officer nominated by the Admn Department. The nomination of inquiry team was still to be made by the Department. The case was also being pursued vigorously with ACE, Sargodha.

The Committee **kept the para pending** with the directions that the AG Punjab be requested to nominate its representative in the Inquiry Committee within 15 days and *de-novo* inquiry be completed within 90 days.

8. Para No.3.1 Page 11 of Audit Report for the year 2001-2002; Outstanding Recoveries on Account of Sale Proceeds of Medicines Amounting to Rs.2,806,860/-

Assistant Director Live Stock & Dairy Development Lodhran, -Rs.48,838/-.

28.10.2006 The Department explained that the entire amount had be recovered from the concerned Veterinary Hospitals and dispensaries and deposited into the government treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

9. Para No.3 Page 11 of Audit Report for the year 2001-2002; Outstanding Recoveries on Account of Sale Proceeds of Medicines Amounting to Rs.2,806,860/-

(3.3) Assistant Director Live Stock & Dairy Development, Jhang - Rs.577,952/-

(3.4) Assistant Director Live Stock & Dairy Development, Kasur - Rs.230,125/-

- (3.6) Assistant Director Live Stock & Dairy Development, Sheikhpura - Rs.900,404/-**
- (3.7) Assistant Director Live Stock & Dairy Development, Faisalabad - Rs.654,758/-**
10. **Para No.4 Page 12 of Audit Report for the year 2001-2002; Non-Recovery of Land Rent from Lessees/Pattadars Worth Rs.4,844,910/-**
- (4.2) Livestock Experiment Station, Rakh Ghulaman (Bhakkar) -Rs.1,188,349/-.**
- (4.3) Livestock Farm, Chak Katora (Hasilpur) -Rs.1,468,546/-.**
- (4.4) Livestock Experiment Station, Fazilpur (Rajanpur) -Rs.332,502/-.**
- (4.5) Livestock Experiment Station, Sher Garh (Okara) -Rs.473,187/-.**
11. **Para No.6 Page 13 of Audit Report for the year 2001-2002; Less Realization of Auctioned Value of Cash Crops and Trees: Recovery of Rs.645,621/-**
12. **Para No.7.3 Page 14 of Audit Report for the year 2001-2002; Non-Occupation of Designated Accommodations and Non-Deduction of House Rent: Recovery of Rs.1,185,175/-**
- Assistant Director Livestock & Dairy Development, Sheikhpura –Rs.878,904/-.**
13. **Para No.11 Pages 17 & 18 of Audit Report for the year 2001-2002; Irregular Auction of Wheat and Rice Crops Amounting toRs.1,170,870/-**
14. **Para No.13.2 Pages 19 & 20 of Audit Report for the year 2001-2002; Irregular Purchase of Artificial Insemination Material Worth Rs.257,803/-**
- Assistant Director Artificial Insemination, Faisalabad–Rs.94,750/-.**
15. **Para No.14.1 Pages 20 & 21 of Audit Report for the year 2001-2002; Irregular and Un-Economical Purchase of Medicines/Vaccines Worth Rs.1,062,714/-**
- Deputy District Livestock Officer Poultry Faisalabad- Rs.782,240/-.**
16. **Para No.19 Page 24 of Audit Report for the year 2001-2002; Unauthorized Shifting of Medicines Worth Rs.432,753/- Out of Jurisdiction.**
17. **Para No.22 Page 26 of Audit Report for the year 2001-2002; Irregular and Un-Economical Expenditure of Rs.178,858/- on Purchase of A.I. (Artificial Insemination Sheets)**

18. **Para No.24 Page 28 of Audit Report for the year 2001-2002; Loss of Rs.101,925/- Due to Imprudent Sowing of 4,077 KG of Gram Seed.**
19. **Para No.29 Page 31 of Audit Report for the year 2001-2002; Irregular Expenditure on POL Amounting to Rs.79,165/-**
20. **Para No.32 Page 33 of Audit Report for the year 2001-2002; Non-Production of Gazetted T.A. Bills Rs.189,878/-**

28.10.2006 The Department explained that the entire amount had been recovered and deposited into the government treasury.

Audit verified the contention of the Department and recommended the paras for settlement.

The paras were settled.

21. **Para No.4.1 Page 12 of Audit Report for the year 2001-2002; Non-Recovery of Land Rent from Lessees/Pattadars Worth Rs.4,844,910/-**

Manager Livestock Experiment Station, Shah Jewana (Jhang) - Rs.1,382,326/-

28.10.2006 The Department explained that out of Rs.1188,783/- an amount of Rs.980634/- had been recovered and for the balance amount, the case was pending in the civil court.

The Committee kept the para pending.

22. **Para No.5 Pages 12 & 13 of Audit Report for the year 2001-2002; Outstanding Recovery of the Cost Motorcycles Amounting to Rs.341,212/-**

(5.1) Assistant Director Livestock & Dairy Development, Sheikhpura - Rs.270,532/-

(5.2) Artificial Insemination Officer, Sheikhpura -Rs.70,680/-

23. **Para No.31 Pages 32 & 33 of Audit Report for the year 2001-2002; Non-Production of Record Regarding Medicines/Vaccine Worth Rs.772,186/-**

28.10.2006 The Department explained that the total recovery had been effected and deposited into the government treasury.

The Committee settled the paras subject to verification of recovery by audit.

- 24. Para No.10 Page 17 of Audit Report for the year 2001-2002; Non-Accountal of Concentrates Costing Rs.100,560/- Shown to Have Been Consumed Prior to its Receipts in Livestock Farm.**
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28.10.2006 The Department explained that the tender for the purchase of concentrate was invited on 18.6.2002 and a committee comprising on the representative of Director Livestock of Punjab Lahore open the tender and recommended the lowest bid for purchase of concentrate which was sent to the authority for approval. Supply order was placed on 29.6.2000 after verbal confirmation of rates from the authority.

The Committee **kept the para pending** with the observation that approval of the competent authority was necessary in the case and desired that an inquiry be initiated in the case and responsibility be fixed and disciplinary action be taken against the concerned official/officer within 90 days.

- 25. Para No.12 Pages 18 & 19 of Audit Report for the year 2001-2002; Unauthorized Expenditure of Rs.7,701,855 in Excess of Budget Allocation.**
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(12.1) District Live Stock Officer, Pakpattan–Rs.3,561,915/-

(12.2) Assistant Director Livestock & Dairy Development Sheikupura Rs.1,693,532/-

(12.5) Assistant Director Project Poultry Production Sialkot Rs.233,243/-

(12.6) Manager Fine Wool Sheep Farm 205 TDA Bhakhar Rs.100,928/-

(12.7) Assistant Director Livestock & Dairy Development Kasur Rs.94,356/-

(12.8) Assistant Director Poultry Production Chakwal Rs.74,070/-

28.10.2006 The Department admitted the irregularity/violation of the instruction of Punjab budget manual and stated that the warning had been issued to the concerned DDO.

The Committee was not satisfied with the explanation of the Department and desired that where the DDO had incurred excess expenditure other than salary and allowances, disciplinary proceeding against DDO/DAO be initiated.

The paras were kept pending.

- 26. Para No.13.1 Pages 19 & 20 of Audit Report for the year 2001-2002; Irregular Purchase of Artificial Insemination Material Worth Rs.257,803/-**
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Assistant Director Artificial Insemination, Lahore–Rs.163,232/-

28.10.2006 The Department explained that the items of different nature were purchased from the various firms/suppliers/manufacturers on different dates by the Assistant Director, who was competent for sanction to incur expenditure upto Rs.16,000/- under Rule 3(a) delegation of Financial Power Rules 1990.

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

27. **Para No.14.3 Pages 20 & 21 of Audit Report for the year 2001-2002; Irregular and Un-Economical Purchase of Medicines/Vaccines Worth Rs.1,062,714/-**

Assistant Director, Livestock Experiment Station, R.Y. Khan- Rs.59,994/-.

28.10.2006 The Department explained that all the expenditure was different in nature and was under different functions, which was less than 60,000/-, and the then AD being officer in category-III was competent to make purchase upto Rs. 60,000/- at one time under independent functional unit. It was also stated that all the purchases were made after fulfilling all the codal formalities.

Audit was of the view that the department had not produced the budget allocation for the year. Contingent register and statement of expenditure was required to be verified.

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

28. **Para No.15 Page 21 of Audit Report for the year 2001-2002; Irregular Re-Appropriation of Funds Amounting to Rs.600,000/-**

28.10.2006 The Department explained that the re-appropriation of funds had been got regularized by the Finance Department.

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

29. **Para No.16 Page 22 of Audit Report for the year 2001-2002; Regularization of AD HOC Appointment During Ban-Period: Payment of Rs.550,791/-**

28.10.2006 The Department explained that the services of the *adhoc* appointees BS-1 to BS-15 were regularized by the competent authority on 02-3-1991.

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

30. **Para No.18 Pages 23 & 24 of Audit Report for the year 2001-2002; Irregular Expenditure on Purchase of Fertilizers Amounting to Rs.348,600/-**

28.10.2006 The Department explained that the purchase of fertilizer was made from the manufacturer so the publicity in the press and quotations were not required. It was also stated that the purchases were made after fulfilling all the codal formalities.

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

31. **Para No.20 Pages 24 & 25 of Audit Report for the year 2001-2002; Poor Performance in a Vast Gap Between Income and Expenditure Amounting to Rs.7,879,360/-**

28.10.2006 The Department explained that the *de-novo* inquiry had been completed and as per inquiry report the difference of Rs.7879360/- above income was due to the reason

which was beyond the control of the management of the said experiment station and no officer/official was responsible for poor performance of the said station.

The Committee was not satisfied with the statement of the department and directed that the efficiency of the experiment station Rakh Ghulaman, District Bhakkar be improved and detail report of target achieved during the last four years be submitted to the PAC.

The para was kept pending.

32. Para No.21 Page 25 of Audit Report for the year 2001-2002; Loss of Rs.107,546/- Irregular Auction of Trees and Less Than Reserve Rates.

28.10.2006 The Department explained that the rates were got reassessed by the Forest Department as the dead, dried and falling trees were not going to be disposed off through public auctions due to the rates offered by the bidders were very low, thus the trees were auctioned collectively.

The Committee was not satisfied with the explanation of the Department and desired that the department should conduct a fact finding inquiry and report be submitted to the PAC within 90 days.

The para was kept pending.

33. Para No.23 Page 27 of Audit Report for the year 2001-2002; Purchase of Concentrates at Higher Rates: Recovery of Rs.54,810/-

28.10.2006 The Department explained that as per routine the feed ingredients were required to be purchased through press and nutrient percentage was not mentioned. Moreover, the Livestock experiment station had no nutrition lab. Therefore, it was not possible for the department to conduct the lab test.

The Committee **settled the para** with the directions that the lab test of feed ingredient should be conducted in future.

34. Para No.25 Pages 28 & 29 of Audit Report for the year 2001-2002; Non-Utilization of Government Land: Loss of Rs.5,251,200/-

28.10.2006 The Department explained that total area of the farm was 930 Acres and out of these 756 Acres two kanals and 7 marlas were sown in the year. Total area of the farm could not be cultivated at a time. Some area was kept fallow for rotational cropping and preparation of next crop.

The Committee took serious notice of the matter that out of 930 Acres of land 318 Acres were not sown which remained fallow and desired that inquiry be conducted into the matter and if 318 Acres were not cultivated due to negligence of any officer than action be taken against him.

The para was kept pending.

PLANNING & DEVELOPMENT

The paras were discussed in the meeting of PAC-II held on 29.04.2006.

Audit Paras (Commercial) for the year 2001-02

1. Para No.84 Page 95 of Audit Report for the year 2001-2002; Working Results

29.04.2006 Audit had pointed out that the accounts for the year 2001-2002 were not provided by the organization for examination on target date.

The Department explained that the copies of the accounts for the years 2001-2002 to 2004-2005 had been provided/got verified by Audit. It was also assured that in future accounts would be submitted on target dates.

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

2. Para No.85 Pages 96 & 97 of Audit Report for the year 2001-2002; Working Results

29.04.2006 Audit had pointed out that expenditure increased to Rs.66.432millin in 2000-2001 as compared to Rs.44.606million in 1999-2000.

The Department explained that these expenses were increased due to the new projects i.e. JAVA, Education expenses (ICS) at collaboration test, both the projects had been completed successfully.

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

3. Para No.86 Page 97 of Audit Report for the year 2001-2002; Working Results

29.04.2006 The Department explained that the fixed assets register had been maintained/prepared as per directions of Audit and physical verification of assets had also been carried out by the Chartered Accountants.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

4. Para No.87 Page 97 of Audit Report for the year 2001-2002; Working Results

29.04.2006 Audit had pointed out that the detailed report on the accounts for the year 2000-2001 submitted by the Chartered Accountants to the Management had not been provided to Audit for verification.

The Department explained that now the accounts upto 2004-2005 duly certified by the Chartered Accountants had been furnished to Audit and assured that these would be provided well in time in future.

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

Audit Paras (Civil) for the year 2001-02

1. **Para No.1 Page 11 of Audit Report for the year 2001-2002; Cash Balance Not Handed-Over, Embezzlement of Rs.877,092/- (Including Imprest Money Rs.6,000)**

29.04.2006 The Department explained that an inquiry was conducted into the matter and the cashier was held responsible for not handing over/embezzlement of Rs.877,092/- including imprest money Rs.6,000/-. The case had been got registered against him in anti-corruption establishment and the proceedings were under way in anti-corruption court.

The Committee was not satisfied with the inquiry report and desired that the Administrative Secretary should himself look into the matter regarding the involvement of the DDO in the case.

The para was kept pending.

2. **Para No.2 Page 12 of Audit Report for the year 2001-2002; Non-Realization of Rest House Charges From the ABAD Officers Who Stayed in the Rest House Recovery of Rs.90,000/-**

29.04.2006 The Department explained that a sum of Rs.30,000/- had been recovered and got verified by Audit. Efforts were being made for recovery of the balance amount of Rs.60,000/- from the defaulters.

The Committee **kept the para pending** with the directions that the recovery be made from the pay of the concerned officers @ 1/3 of the pay and allotment rules be strictly followed in future.

- 3 **Para No.3 Pages 12 & 13 of Audit Report for the year 2001-2002; Less Deduction of 5% of the Basic Pay on Account of House Rent-Recovery of Rs.46,773/-**

29.04.2006 The Department explained that the para was discussed in SDAC meeting held on 19.03.2003 and was settled.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

4. **Para No.4 Page 14 of Audit Report for the year 2001-2002; Irregular/Improper Maintenance of Logbooks-Recovery of Rs.438,090/-**

5. **Para No.6 Pages 15 & 16 of Audit Report for the year 2001-2002; Non-Production of Logbooks-Recovery of Rs.248,522/-**

29.04.2006 The Department explained that all the vehicles were used by the orders of the competent authority and the POL was consumed strictly according to the average

consumption certificate of the concerned vehicles. The certificate was available that the vehicles were used in the public interest.

The Committee **settled the paras subject to verification** of certificate that the vehicles were used in the public interest and also desired that the log books be properly maintained as per the government rules/instructions in future.

6. Para No.5 Page 15 of Audit Report for the year 2001-2002; Non-Submission of Expenditure Account Worth Rs.61,200,160/-

The Department explained that the case had been registered against the cashier and the record relevant to the para was in the custody of the anti-corruption authorities.

The para was kept pending being subjudice in the court of law.

7. Para No.7 Page 16 of Audit Report for the year 2001-2002; Likely Misappropriation of POL Worth Rs.183,156/-

29.04.2006 The Department explained that the para was discussed in the SDAC meeting held on 29-3-2003 and was settled after verification of record.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

8. Para No.8 Page 17 of Audit Report for the year 2001-2002; Logbooks Not Maintained/Doubtful Receipt and Consumption of POL Rs.501,965/-

29.04.2006 The Department explained that the complete record was presented to Audit on 16-3-2006 and got verified by Audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

9. Para No.9 Page 17 & 18 of Audit Report for the year 2001-2002; Excess Expenditure of Rs.67,469/- Over and Above the Budget Provisions for the Year 1999-2000 and 2000-2001

29.04.2006 The Department explained that the excess was demanded in the second statement (revised budget) for the both years while the expenditure had already been booked. The case for regularization for the excess expenditure had been referred to the Finance Department.

The para was settled subject to regularization by the Finance Department.

SOCIAL WELFARE

The paras were discussed in the meeting of PAC-II held on 28.11.2006.

Audit Paras (Commercial) for the year 2001-2002

1. Para No.88.Page 101 of Audit Report for the year 2001-2002; Working Results

28.11.2006 The Department explained that the accounts for the year 1994-95 to 2001-2002 had since been compiled/finalized and the same had been submitted to the commercial audit on 26-4-2002. The balance sheets, cash flow statement notes to accounts and schedule of assets of the same years had also been submitted on 17.10.2006.

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

Audit Paras (Civil) for the year 2001-2002

1. Para No.1 Page 8 of Audit Report for the year 2001-2002; Loss to Government Due to Unauthorized Classes/ Misuse of Utilities of (521,500 + 203,511) =Rs.725,011/-

(Part-A)

28.11.2006 The Department explained that these technical courses were started by the Advisory Committee which was a voluntary organization duly notified by the government. It was further stated that the government had approved and notified Rules of Business of Advisory Committee under which it was competent to collect such funds and pay the salaries to the part time staff and deposit the balance amount in its bank account.

The Committee **settled the part subject to verification** of record by audit.

(Part-B)

28.11.2006 The Department explained that the Rules of Business for using the utilities by the Advisory Committee was duly approved by the government. The Advisory Committee was a helping hand to the government to meet the urgent needs of the inmates, which were not provided in the government budget.

The part was settled subject to verification of record by audit.

2. Para No.2 Page 9 of Audit Report for the year 2001-2002; Misuse of Government Vehicles-Recovery of Rs.559,742/-

(2.1) Rs.255,736/-

(2.3) Rs.109,644/-

28.11.2006 The Department explained that the para was discussed in the SDAC meeting held on 30-9-2002 and was settled after verification of record.

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

(2.2) Rs.194,362/-

28.11.2006 The Department explained that the vehicles No. LOH-6843 was not attached with the DG, SW but this vehicle was used by the different officers of the department for checking of the subordinate offices/institutions outside Lahore. The record was available for verification.

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

3. Para No.3 Pages 9 & 10 of Audit Report for the year 2001-2002; Likely Misappropriation of POL Due to Irregular Maintenance of Logbook-Recovery of Rs.123,940/-.

28.11.2006 The Department explained that total recovery had been effected and deposited in to the government treasury.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

4. Para No.4 Pages 10 of Audit Report for the year 2001-2002; Less Realization/Deposit of Fee – Rs.641,502/-

28.11.2006 The Department explained that the monthly fee of various courses @Rs.25/- per month and knitting fee @Rs.100/- per month was charged and deposited in the bank as per the by laws approved by the government.

The Committee **kept the para pending** with the directions that the authority for creation of such fund and by laws approved by the government be got verified by audit.

5. Para No.5 Page 11 of Audit Report for the year 2001-2002; Non-Recovery of Rs.450,000/- on Account of Use of Air-Conditioners Beyond Entitlement.

28.11.2006 The Department explained that the A-Cs were installed in the offices of Amin Baitul Maal, Director (HQ) and Coordinators (National Plan of Action), who were entitled to use this facility.

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

6. Para No.6 Page 12 of Audit Report for the year 2001-2002; Irregular Expenditure on Purchase of Dietary Articles – Rs.2,683,887/-

(6.1) Halfway House, Lahore – Rs.1,451,090/-

(6.2) Home for Disabled (Nasheman), Lahore – Rs.1,232,796/-

28.11.2006 The Department explained that a rate contract was made but the contractor failed to supply the dietary articles due to reasons less quantity supply from a long distance. Finally, as per the instructions issued by the DG, SW dated 19-9-1998 the dietary articles/other store articles were purchased from utility stores and vegetable, meat and milk from local market.

The paras were kept pending with the directions that the difference between the rate contract price and local market rate be presented to Committee in its next meeting.

7. Para No.7 Page 13 of Audit Report for the year 2001-2002; Irregular Lapse of Funds – Rs.2,158,036/-

(7.1) Deputy Director, Social Welfare, Lahore – Rs.231,954/-

(7.2) Secretary, Social Welfare Women Development & Bait-ul-Mal, Lahore – Rs.292,039/-

(7.3) District Industrial Home, Mandi Baha-Ud-Din – Rs.442,391/-

(7.4) Home for Disabled (Nasheman), Lahore – Rs.1,191,652/-

28.11.2006 The Department explained that the grant for the year 1999-2000 and 2000-2001 had been settled by the PAC.

The Committee settled the paras with the directions that warning be issued to the concerned DDO to avoid such lapse in future.

8. Para No.8 Pages 13 & 14 of Audit Report for the year 2001-2002; Irregular Purchase of Stores Amounting to Rs.798,337/- (Rs.430,703 + Rs.367,634)

(8.1) Halfway House, Lahore – Rs.430,703/-

(8.2) Home for Disabled (Nasheman), Lahore – Rs.367,634/-

28.11.2006 The Department explained that as per the instructions of DG dated 19-9-1998 all the articles were purchased through utility stores and all the expenditure was incurred on inmates i.e. on shave, soap, toothpaste etc.

The Committee settled the paras subject to verification of record by audit.

9. Para No.9 Pages 14 & 15 of Audit Report for the year 2001-2002; Unauthorized Expenditure of Rs.691,895/-

(9.1) Halfway House, Lahore – Rs.406,185 /-

(9.2) Home for Disabled (Nasheman), Lahore – Rs.285,710/-

28.11.2006 The Department explained that Rs.25/- were fixed for per inmate and along with a diet scale was provided. The department had remained under the diet scale and the expenditure was almost Rs.25/- per inmate per day. There was no excess from the limit fixed by the government.

The Committee **kept the paras pending** for verification of attendance sheet of the inmates by audit on 04-12-2006.

10. Para No.10 Page 15 of Audit Report for the year 2001-2002; Irregular and Unjustified Expenditure on Account of Pay of Driver – Rs.428,501/-**(10.1) District Industrial Home, Sanat Zar Khushab – Rs.216,000/-**

28.11.2006 The Department explained that the District Industrial Home, Khushab was provided a vehicle and the post of driver since its induction. But the vehicle was shifted to DIH, Sargodha for the better and effective utilization by the HQ office. Moreover, the services of the driver were utilized by the DIH, Khushab during this period.

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

(10.2) Assistant Director, Social Welfare Women Development and Bait-ul-Mal, R.Y.Khan – Rs.212,501/-

28.11.2006 The Department explained that due to non-availability of Government vehicle in the office of Assistant Director, SW, the vehicle of DIH was pooled in the offices of Assistant Director, SW and Manager, DIH while the post of driver in the office of Manager, DIH (Sanatzar) was vacant. The driver of Assistant Director, SW had been performing his duty for both offices. So, the pay drawn by him was justified.

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

11. Para No.11 Page 16 of Audit Report for the year 2001-2002; Unauthorized Use of Government Vehicle Loss to Government Amounting to Rs.398,917/-**(11.1) Director General, Social Welfare Women Development and Bait-ul-Mal, Lahore – Rs.111,429/-**

28.11.2006 The Department explained that the vehicle in question was used for general duty during the period July 1999 to June 2001 and all the officers who have used this vehicle were entitled to this facility. Log book was available for verification.

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

(11.2) Deputy Director, Social Welfare, Lahore Division, Lahore – Rs.287,488 /-

28.11.2006 The Department explained that the vehicles were used for surprised visits/vigilant checking of the subordinate offices within the district and necessary repair was made after the approval of the competent authority.

The Committee **kept the para pending** for verification of record by audit.

12. Para No.12 Pages 16 & 17 of Audit Report for the year 2001-2002; Irregular/Uneconomical Purchase of Medicines Worth Rs.352,732/-

28.11.2006 The Department explained that the medicines were purchased for the patients of Half way house after duly prescribed by the concerned medical Officer. As these medicines were always short in the market and were purchased on loan basis, therefore nobody was ready to provide these medicines on 6% discount.

The Committee accepted the explanation of the department and **the para was settled.**

13. Para No.13 Pages 17 & 18 of Audit Report for the year 2001-2002; Irregular and Uneconomical Expenditure of Rs.306,233/-

28.11.2006 The Department explained that the vehicles were got examined from the Motor Vehicles Examiner before and after the repair. Moreover, the repairs were made from the government production unit i.e. M/s. Republic Motors and no sanction was split up.

The Committee accepted the explanation of the department and **the para was settled.**

14. Para No.14 Page 18 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.286,020/-

28.11.2006 The Department explained that the purchases of stationery items were made on receipt of demand from the different wings/sections of the Directorate during the two financial years i.e. 1999-2000 and 2000-2001.

Audit contended that the sanction of expenditure under Rule 3(a) Delegation of Financial Power Rules 1990 could be granted at one time for the full financial year, again and again grants of sanction was against the spirit of the rules.

The Committee **settled the para subject** to its regularization by the Finance Department.

15. Para No.15 Page 18 of Audit Report for the year 2001-2002; Unauthorized Expenditure Amounting to Rs.243,615/-

28.11.2006 The Department explained that the Rule 15.2(c) of PFR Vol-I was not applicable on the repair of vehicles. It was also stated that although sanctions of different bills were given on the same day but approval/repair were carried out at different times and also for different vehicles.

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

16. Para No.16 Pages 19 & 20 of Audit Report for the year 2001-2002; Irregular Drawal of House Rent Allowance Rs.203,310/-

28.11.2006 The Department explained that no government accommodation was provided to the officer in-charge of Nasheman as it was already occupied by other officers of the department as per the orders of the competent authority.

The Committee accepted the explanation of the department and **the para was settled.**

17. Para No.17 Page 20 Audit Report for the year 2001-2002; Irregular Expenditure on the Local Purchase of Stationery Items/Articles – Rs.171,822/-

28.11.2006 The Department explained that the Administrative Secretary had accorded the sanction of Rs.39,965/- who was competent to sanction the expenditure upto Rs.40,000/-. Moreover, the purchases were made from the GST registered firms.

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

18. Para No.18 Pages 21 of Audit Report for the year 2001-2002; Unauthorized Payment of Rs.146,693/- Due to Unlawful Retention in Service.

28.11.2006 The Department explained that a post of driver in the eves Crafts Centre of the Directorate of Social Welfare, Lahore which was purely temporary and non-government; was offered to Mr. Suleman Ahmed for 3 months extendable to another 3 months on the basis of good performance, by the DD(IH) and not by the DDSW(HQ). Thereafter, no extension in service was granted to him by the appointing authority and no fresh appointment order was issued. He was however adjusted in other offices just to retain him in service. His appointment was not made by the competent authority therefore it was very much necessary to remove him from service w.e.f. the date of abolition of Scheme of Eves Craft. Thereafter, he was neither appointed by competent authority nor was given any extension in service by DD(IH). This retention in service was illegal. Moreover, on pointing of this irregularity, case was sent to the Administrative

Department for regularization of his services on humanitarian ground but the same was rejected. His services were terminated so far as the issue of recovery was concerned the incumbent Mr. Suleman Ahmed was not at fault as he performed his duty as entrusted to him by the Department.

The para was kept pending for condonation/regularization of the case by the competent authority.

19. Para No.19 Pages 21 & 22 of Audit Report for the year 2001-2002; Irregular Purchase of Equipment - Rs.113,258/-

28.11.2006 The Department explained that on receipt of budget grant for the purchase of equipments i.e. sewing machine, deep freezer, cooking range and utensils etc. for Sanat Zar, Bahawalpur, the purchases were made as per the PC-I. Moreover, the items of store purchased were specifically shown in the budget estimates in detail and all the codal formalities were fulfilled for making these purchases.

The Committee accepted the explanation of the department and **the para was settled.**

20. Para No.20 Pages 22 & 23 of Audit Report for the year 2001-2002; Irregular Drawal of House Rent Allowance and Conveyance Allowance – Recovery of Rs.112,931/-

(20.1) District Industrial Home, Sanat Zar, Mianwali– Rs.13,546/-

28.11.2006 The Department explained that total recovery had been effected and deposited into the government treasury.

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

(20.2) Hostel for Working Women, Lahore – Rs.40,662 /-

28.11.2006 The Department explained that the accommodation as defined in the FD letter dated 09-03-1977 had not been provided for Social Welfare Officer in the Centre premises. Moreover, the para of same nature had been settled by the PAC meeting held on 06.07.2004.

The Committee accepted the explanation of the department and **the para was settled.**

(20.3) District Officer, Social Welfare Women Development & Bait-ul-Mal, Sialkot – Rs.58,723/-

28.11.2006 The Department explained that there was no rest house in the premises of Social Welfare Complex, Sialkot and no allotment order was issued to Mr. Muhammad Naveed Ch. and Mr. Shamsul Haq Khan. The record was available for verification.

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

21. Para No.21 Page 23 of Audit Report for the year 2001-2002; Irregular/Wasteful Expenditure of Rs.95,000/-

28.11.2006 The Department explained that the electronic equipments, furniture and crockery was purchased for running a cooking training class in District Industrial Home, Khushab and all this process was completed upto November 2000. The record was available for verification.

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

22. Para No.22 Page 24 of Audit Report for the year 2001-2002; Non-Accountal of Sock/Store Items; Worth Rs.633,925/-

(22.1) Home for Disable (Nasheman), Lahore – Rs.499,743/-

Advance Paras 4 & 6

28.11.2006 The Department explained that the vouchers/stock entries of the expenditure entered in the cash book was available on record and this could be verified.

The para was settled subject to verification of record by audit within 30 days.

(22.2) Halfway House, Lahore – Rs.103,494/-

28.11.2006 The Department explained that the requisitions and acknowledgments of the items were available and the requisite entries had been made in the stock register. The record was shown to audit.

On the recommendation of audit, the para was settled.

(22.3) District Officer, Social Welfare and Bait-ul-Mal, Sialkot – Rs.30,488/-

28.11.2006 The Department explained that the requisite and acknowledgement of the recipient were available for verification.

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

23. Para No.23 Pages 24 & 25 of Audit Report for the year 2001-2002; Non-Production /Non-Maintenance of Record of Rs.396,117/-

28.11.2006 The Department explained that the record was available for verification.

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

24. Para No.24 Page 25 of Audit Report for the year 2001-2002; Non-Production of Record – Rs.6,469,912/-

28.11.2006 The Department explained that this para related to the Zakat Funds which was utilized by the Health Welfare Committee for treatment of the mustahiq patients. Moreover, this para related to the Health Department and the department requested that it should be deleted from here.

Audit verified the contention of the Department and **the para was deleted.**

25. Para No.25 Page 26 of Audit Report for the year 2001-2002; Misuse of Government Vehicle Loss to Government Worth Rs.405,022/-

28.11.2006 The Department explained that the vehicle No. LOH-6843 was attached with the office of the DG, SW, WD & Baitul Maal for disposal of official duties. The vehicle No. LOB-8441 and LXA-8360 were attached with the staff of the then minister for disposal of the official duty of the department. The record was available for verification. Moreover, the officer who have used these vehicle for official business had died.

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

26. Para No.26 Page 27 of Audit Report for the year 2001-2002; Extraordinary Expenditure of Rs.7,964,183/- As Compared to the Number of Intimates.

28.11.2006 The Department explained that the expenditure was incurred for the treatment/welfare of the old-age/mentally retorted persons. The well qualified doctors and psychologists were engaged for their treatment. The Department was performing his job very efficiently.

The Committee **settled the para** and desired that the performance of the department be improved.

27. Para No.27 Page 28 of Audit Report for the year 2001-2002; Wasteful Expenditure of Rs.600,000/- Per Annum Due to Non-Production of Desirable Results

28.11.2006 The Department explained that the DIH, Khushab was established to train female workers in different skills and to register them as worker. The DIH, Khushab had trained 1222 women w.e.f. 1986-87 to 2001.

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

28. Para No.28 Page 29 of Audit Report for the year 2001-2002; Non-Deposit of Sales Tax – Recovery of Rs.139,028/-

(28.1) District Industrial Home ,Mandi Baha –ud Din - Rs.21,401/-

28.11.2006 The Department explained that total recovery had been effected and deposited into the government treasury.

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

(28.2) Director General, Social Welfare Women Development and Bait - u l- Mal, Lahore - Rs.64,455/- & Rs.18,008/-

Advance Para No.11

28.11.2006 The Department explained that the spare parts had been purchased from the GST registered firms; however, the labour charges were exempted from the sales tax.

The Committee **settled the para** and desired that the expenditure on labour charges and spare parts be bifurcated and got verified by audit.

Advance Para No.12

28.11.2006 The Department explained that all the purchases were made from the GST registered firms and record was available for verification.

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

(28.3) District Industrial Home ,Bahawalpur - Rs.287,488 /-

(28.4) District Industrial Home, Bahawal Nagar - Rs.16,005 /-

28.11.2006 The Department explained that the DIH (Santazar) was a welfare institution working for the welfare of women folk area, therefore, the department tried its best to purchase good quality of raw material at low rates so the DIH could serve the needy women better. Therefore the purchases were not made from the GST registered firms. However, the point had also been noted and the purchases would be made from the GST registered firms in future.

The Committee accepted the explanation of the Department and **the paras were settled.**

TRANSPORT

The paras were discussed in the meeting of PAC-II held on 29.12.2006.

Audit Paras (Revenue Receipts) for the year 2001-2002

- 1. Para No.4.1 Pages 79 & 80 of Audit Report for the year 2001-2002; Non-Realization of Government Revenue on Account of Non-Renewal of Route Permits – Rs.1,134,150/-**
-

(PDP No.7334) Secretary, R.T.A, Multan-Rs.26,550/-

29.12.2006 The Department explained that total recovery had been effected and got verified by audit.

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

(PDP No.7201) Secretary, R.T.A, Rawalpindi-Rs.335,550/-

(PDP No.7543) Secretary, R.T.A, Sargodha-Rs.77,200/-

(PDP No.7566) Secretary, R.T.A, D.G.Khan-Rs.140,200/-

(PDP No.7868) Secretary, R.T.A, Bahawalpur-Rs.84,150/-

29.12.2006 The Department explained that necessary action had been taken and departmental contention in respect of these paras had been got verified by Audit.

On recommendation of Audit, **the paras were settled**

(PDP No.7594) Secretary, R.T.A, Lahore-Rs.470,500/-.

29.12.2006 The Department explained that due to strenuous efforts an amount of Rs.383,250/- out of Rs.470,500/- had been recovered and deposited into the government treasury. The Department further stated that the balance amount related to 17 wagons of 1984-86 models which were not traceable.

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

Audit Paras (Commercial) for the year 2001-2002

- 1. Para No.89 Pages 105 & 106 of Audit Report for the year 2001-2002; Working Results.**
-

29.12.2006 The Department explained that due to shifting of Transport Department to Punjab Provincial Authority and Regional Transport Authority in the private building, the

expenses were increased. However, Rs.0.610 million were recovered from these organizations and got verified by audit.

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

2. Para No.90 Page 106 of Audit Report for the year 2001-2002; Working Results

29.12.2006 The Department explained that the spare parts were not purchased but were available already in the Multan Road Depot.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

3. Para No.91 Page 106 of Audit Report for the year 2001-2002; Working Results

29.12.2006 The Department explained that audit observation had been properly addressed and the accounts No. 21157-5 which was operative in the National Bank of Pakistan, WAPDA House and got verified by audit.

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

4. Para No.92 Page 106 of Audit Report for the year 2001-2002; Working Results

29.12.2006 The Department explained that out of advances of Rs.4.588 million, a sum of Rs.0.993 million had been recovered. It was also stated that an amount of Rs.3.492 million was outstanding paid to M/s Zamroc Private Limited. This amount was given to them for fabrication of fiber glasses, bus seats of Volvo buses in the year 1998. Later on, a dispute created and PRTC filed civil suit for the recovery of the said amount. In the mean time M/s. Zamroc went under the process of liquidation and the liquidator had also been appointed. The PRTC had lodged its claim before the liquidator which was under process. The Department further stated that the inquiry was conducted and the services of the responsible employees were terminated and they were not traceable. The gratuity of the employees was pending.

The Committee **kept the para pending** with the directions that the recovery be pursued vigorously.

5. Para No.93 Page 106 of Audit Report for the year 2001-2002; Working Results

29.12.2006 The Department explained that the Board of Directors on 2.12.2003 had approved the accounts of the corporation for the year 2001-2002.

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

6. Para No.94 Page 106 of Audit Report for the year 2001-2002; Working Results

29.12.2006 The Department explained that lists of stock inventories were prepared on 30.6.1997 and all stores/spares had been disposed of through auction.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

7. Para No.95 Page 107 of Audit Report for the year 2001-2002; Working Results

29.12.2006 The Department explained that in the light of the PAC directions dated 31.12.2004, a summary had been moved to the Chief Minister of the Province for early decision in the matter.

The Committee **settled the para subject to** decision of the Chief Minister of the Province.

**SUB-COMMITTEE-I
OF
PAC-II**

The paras were discussed in the meeting of Sub-Committee-I held on 22.09.2006.

BOARD OF REVENUE PUNJAB

Audit Paras (Revenue Receipts) for the year 2001-2002

1. **Para No.2.6 Pages 51, 52, 53 & 54 of Audit Report for the year 2001-2002;
Short-realization of stamp duty due to under-valuation Rs.7,221,485/-**
-

(i) PDP No.7695 Sub-Registrar, Burewala-Rs.134,800/-

(ii) PDP No.7150 Sub-Registrar, Fateh Jhang-Rs.113,520/-

(iii) PDP No.7807 Sub-Registrar, Kamalia-Rs.104,816/-

(iv) PDP No.7171 Sub-Registrar, Urban Sargodha-Rs.16,417/-

22.09.2006 The Department explained that relevant record in respect of above PDPs had been got verified by audit and necessary action had also been taken accordingly.

Audit verified the contention of the Department and recommended the paras for settlement.

The Sub-Committee recommended to **settle the above paras.**

(v) PDP No.7609 Sub-Registrar, Lahore Cantt:-Rs.31,841/-

(vi) PDP No.7606 Sub-Registrar, Model Town, Lahore-Rs.94,648/-

(vii) PDP No.7756 Sub-Registrar, Urban-II, Faisalabad-Rs.100,935/-

(vii) PDP No.7879 Sub-Registrar, Murree-Rs.199,127/-

(viii) PDP No.7359 Sub-Registrar, Pattoki-Rs.40,700/-

(ix) PDP No.7352 Sub-Registrar, Kasur-Rs.21,550/-

(x) PDP No.7577 Sub-Registrar, D.G. Khan-Rs.139,688/-

(xi) PDP No.7141 Sub-Registrar, Attock-Rs.404,163/-

22.09.2006 The Department explained that partial recovery had been effected in certain cases involved in the above paras. However, the relevant record in support of departmental contention could not be got verified by audit.

The Sub-Committee observed that Administrative Department had not explained the factual position of the paras adequately in the working papers and record had not been got verified by audit. As such no progress could be made in respect of the above PDPs.

The Sub-Committee appointed a Special Departmental Committee comprising a representative each from the Finance Department, Audit and Board of Revenue. The said Committee shall completely thrash out the above PDPs, conduct site verification for the purpose and submit a detailed report to the Sub-Committee by 20th October 2006 for further consideration. The Sub-Committee further directed that in future, the working papers should be duly signed by the Principal Accounting Officer.

The PDPs were kept pending.

**SUB-COMMITTEE-VII
OF
PAC-II**

The paras were discussed in the meeting of Sub-Committee-VII held on 24.04.2006.

DISTRICT GOVERNMENTS, PUNJAB, PROVINCE WORKS & SERVICES DEPARTMENT

Audit Paras (Works) for the year 2001-02

1. **Para No.3 Pages 15 & 16 of Audit Report for the year 2001-2002; Overpayment of Rs.0.060 Million Due to Fictitious Measurements**
2. **Para No.32 Page 62 of Audit Report for the year 2001-2002; Overpayment of Rs.0.054 Million by Violating the Specifications**

24.04.2006 The Department explained that in the light of the PAC directions total recovery had been effected and the disciplinary proceedings under PRSO 2000 were under process.

The Sub-Committee recommended to **settle the para.**

3. **Para No.5 Page 17 of Audit Report for the year 2001-2002; Non-Recovery of Lease Rent of Rs.0.448 Million.**

24.04.2006 The Department explained that Rs.30,000/- had been recovered and the efforts were being made for recovery of the balance amounts.

The Sub-Committee **kept the para pending** with the directions that recovered amount be got verified by audit and the balance amount be recovered at the earliest.

4. **Para No.7 Pages 19 & 20 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.220 Million Due to Non-Closing of Manufacture Accounts**

24.04.2006 The Department explained that a sum of Rs.80,112/- had been recovered and the balance amount would be recovered at the earliest.

The Sub-Committee **kept the para pending** with the directions that the record be got verified within 15 days.

5. **Para No.14 Page 31 of Audit Report for the year 2001-2002; Overpayment of Rs.0.147 Million Due to Payment of Excess Quantities than Actual Measurement**

24.04.2006 The Department explained that in the light of the PAC directions dated 29.11.2005, the matter had been probed by the SE and the inquiry report/measurement book was available for verification.

The Sub-Committee recommended to **settle the para subject to verification** of inquiry report/measurement book by audit.

6. Para No.20 Pages 35 & 36 of Audit Report for the year 2001-2002; Non-Production of Record of Rs.26.867 Million

7. Para No.36 Page 66 of Audit Report for the year 2001-2002; Non-Auction of Empty Tar Drums Valuing Rs.0.189 Million

24.04.2006 The Department requested that the paras may be kept pending as the record could not be got verified by audit.

The Sub-Committee recommended to keep the paras pending with the directions that record be got verified by audit within two weeks.

8. Para No.29 Page 56 of Audit Report for the year 2001-2002; Overpayment of Rs.5.861 Million Due to Excessive Measurements

24.04.2006 The Department explained that in the light of the directions of PAC dated 29.11.2005, the case for recovery as arrears of land revenue had been referred to the District Officer (Revenue), Lahore on 28.3.2006.

The Sub-Committee recommended to **keep the para pending** with the directions that the Administrative Secretary should inquire the matter as to why the bank guarantee was not obtained as per contract initially and also pursue the process of recovery as arrears of land revenue.

9. Para No.30 Page 57 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.529 Million Due to Non-Closing of Manufacture Accounts

24.04.2006 The Department explained that duplication of Rs.42,624/- in DP No.133 for 1998-1999 had been got verified by audit and the remaining record would be got verified within one month.

The Sub-Committee recommended to **settle the para subject to verification** of record by audit within two weeks.

10. Para No.37 Pages 66 & 67 of Audit Report for the year 2001-2002; Non Forfeiture of Security Deposit of Rs.0.319 Million

24.04.2006 The Department explained that in the light of the PAC directions dated 29-30.11.2005, the matter was probed by the Administrative Secretary and it was proved that the funds were released in piecemeal during 1998-99 to 2003-2004.

The Sub-Committee accepted the explanation of the Department and recommended **the para for settlement**.

11. Para No.45 Page 80 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.155 Million Due to Non-Closing of Manufacture Accounts

24.04.2006 The Department explained that adjustment of Rs.133,403/- against vehicle No. MNH1824 had been got verified by audit and the case for release of funds for adjustment of the balance amount of Rs.21,000/- had been referred to the FD.

The Sub-Committee recommended to **keep the para pending**.

12. Para No.46 Page 81 of Audit Report for the year 2001-2002; Non-Recovery of Installments of Plots Worth Rs.0.562 Million

24.04.2006 The Department explained that in the light of the PAC directions dated 29.11.2005, the matter was probed by the Deputy Director (PHATA) Jhang and the probing officer did not hold any officer responsible for not recovering the government dues. It was also stated that final notices for recovery had been issued to the remaining allottees and the recovery would be made upto 15.5.2006.

The Sub-committee recommended to **keep the para pending** with the directions that the recovery be made within one month otherwise the plots may be cancelled.

13. Para No.49 Pages 83 & 84 of Audit Report for the year 2001-2002; Irregular Payment of Rs.0.846 Million Against the Provision of Technically Sanctioned Estimate

24.04.2006 The Department explained that as per directions of the PAC dated 29.11.2005, the revised PC-I had been referred to the DCO Jhang for approval by the District Development Committee.

The para was kept pending.

14. Para No.51 Pages 89 & 90 of Audit Report for the year 2001-2002; Overpayment of Rs.0.051 Million Against the Agreement

24.04.2006 The Department admitted the recovery and stated that the case for recovery had been sent to the DO(Building) Rawalpindi for effecting the recovery as the contractor was presently working there. The disciplinary proceedings against the responsables were under process.

The para was kept pending.

15. Para No.54 Pages 95 & 96 of Audit Report for the year 2001-2002; Overpayment of Rs.0.129 Million Due to Non-Adjustment of Available Earth

24.04.2006 The Department explained that in the light of PAC directions the balance amount of Rs.21,240/- had been recovered.

The Sub-Committee recommended to **settle the para subject to verification** of recovery by Audit.

16. Para No.56 Page 97 of Audit Report for the year 2001-2002; Irregular Payment of Price Variation Amounting to Rs.0.051 Million

24.04.2006 The Department explained that in the light of PAC directions, the recovery of the outstanding amount had been made.

The Sub-Committee recommended to **settle the para subject to verification** of recovery by Audit.

17. Para No.66 Pages 117 & 118 of Audit Report for the year 2001-2002; Loss of Rs.0.123 Million Due to Non-Adjustment of Old Material

24.04.2006 The Department explained that the concerned EDO (E) had informed that the case for auction of dismantled material had been referred to the DCO on 18.4.2006.

The para was kept pending.

18. Para No.81 Pages 141 & 142 of Audit Report for the year 2001-2002; Non-Adjustment of Receipts Worth Rs.0.602 Million to Final Head of Accounts

24.04.2006 The Department explained that the case for Rs.328,000/- was still pending in the court of Civil Judge, Vehari and the balance amount would be credited to the Revenue Head at the earliest.

The para was kept pending with the directions that except the amount of litigation, the balance amount be got adjusted within 90 days.

19. Para No.85 Page 150 of Audit Report for the year 2001-2002; Overpayment of Rs.0.107 Million Due to Excessive Measurements

24.04.2006 The Department explained that the record had been produced to audit on 18.4.2006 but the result was still awaited.

The Sub-Committee **kept the para pending** with the directions that the record be got verified within two weeks.

20. Para No.88 Page 155 of Audit Report for the year 2001-2002; Embezzlement of Rs.0.526 Million Due to Tempering of Figures

24.04.2006 The Department explained that the Supreme Court had decided the case in favour of the Department on 04.04.2006 and the case for recovery as arrears of land revenue had been referred to the concerned DO(R) and the Accountant General Punjab had also been requested to deduct the amount from the pension/commutation of the concerned responsible official.

The para was kept pending.

21. Para No.89 Page 156 of Audit Report for the year 2001-2002; Overpayment of Rs.1.349 Million Due to Excessive Measurements

24.04.2006 The Department explained that in the light of the PAC directions, the matter had been referred to the Finance Department on 10.4.2006 for regularization.

The Sub-Committee **kept the para pending** till the regularization by FD.

22. Para No.90 Page 157 of Audit Report for the year 2001-2002; Overpayment of Rs.0.118 Million Due to Allowing Higher Rates

24.04.2006 The Department explained that in the light of PAC directions dated 29.11.2005, warning had been issued to the concerned officers/officials and placed in their ACRs dossiers.

The Sub-Committee recommended to **settle the para**.

23. Para No.92 Pages 158 & 159 of Audit Report for the year 2001-2002; Overpayment of Rs.2.279 Million Due to Allowing Higher Rates

24.04.2006 The Department explained that the decision of the arbitrator had still not been finalized and a next date of hearing was fixed for 19.5.2006.

The Sub-Committee **kept the para pending**.

24. Para No.94 Pages 160 & 161 of Audit Report for the year 2001-2002; Non-Recovery of Outstanding Dues Rs.0.115 Million

24.04.2006 The Department explained that in the light of PAC directions dated 29.11.2005, the case for release of funds for making adjustment of suspense accounts had been referred to the FD. As soon as the funds were released, the adjustment would be made.

The para was kept pending.

25. Para No.111 Pages 180 & 181 of Audit Report for the year 2001-2002; Non-Adjustment of Rs.0.529 Million Due to Non-Closing of Manufacture Account

24.04.2006 The Department explained that the case for release of funds had been referred to the FD and the amount would be adjusted as and when funds were received from the government.

The para was kept pending.

26. Para No.112 Pages 181 & 182 of Audit Report for the year 2001-2002; Unauthorized Payment of Rs.18.101 Million Without Pre-Audit of Bills from the Divisional Accounts Officer

24.04.2006 The Department explained that in the light of PAC directions the matter was probed and the probing officer had fixed the responsibility only upon the DDO. The proceedings under PRSO 2000 were under process.

The para was kept pending with the directions that the inquiry report be got verified by audit under intimation to the PAC within one week.

27. Para No.123 Pages 197 & 198 of Audit Report for the year 2001-2002; Non-Credit of Public Money to Government Revenue Worth Rs.1.619 Million

24.04.2006 The Department explained that in pursuance of the directions of the PAC dated 29.11.2005, the matter was probed and the disciplinary proceedings could not be initiated as the concerned officer/official had been retired since June 2002 and 1991 respectively.

The Sub-Committee recommended to settle the para.

28. Para No.126 Page 202 of Audit Report for the year 2001-2002; Loss of Rs.2.043 Million Due to Theft of Electric Installation

24.04.2006 The Department explained that in the light of the PAC directions dated 29.11.2005, the PC-I had been prepared accordingly and that would be approved before 15.5.2006.

The para was kept pending.

29. Para No.127 Pages 205 & 206 of Audit Report for the year 2001-2002; Overpayment of Rs.0.194 Million Due to Excess Quantities

24.04.2006 The Department explained that in the light of the PAC directions dated 29.11.2005, the record had been produced to audit for verification.

The representative of audit stated that during verification of record, it was observed that fabrication/steel was used for RCC work as per bending schedule. It was paid for 8.31 lbs per cft against TSE provision of 7.50 lbs per cft and the contractor was paid final bill in June 2002, whereas the work was completed on 27.6.2001.

The Sub-Committee observed that revised TS/condonation of the period was required from FD in the case.

The para was kept pending

30. Para No.140 Page 224 of Audit Report for the year 2001-2002; Overpayment of Rs.0.137 Million Due to Non-Adjustment of Available Earth

24.04.2006 The Department explained that out of the total amount Rs.128,747/- had been recovered and got verified by audit. The balance amount of Rs.8,253/- would be recovered at the earliest.

The para was kept pending for balance recovery.

The paras were discussed in the meeting of Sub-Committee-VII held on 22.05.2006.

Audit Paras (Commercial) for the year 2001-2002

(Punjab Tourism Development Corporation)

1. **Para No. 51 Page 55 of Audit Report for the Year 2001-2002; Working Results**
2. **Para No. 52 Page 55 of Audit Report for the Year 2001-2002; Working Results**

22.05.2006 The Department explained that the summary for disposal of machinery & equipment of Jallo Rosin Factory was approved by the worthy Chief Minister, Punjab on 03.9.2005. The Auction Committee constituted with the approval of the Worthy Chief Secretary Punjab Lahore vide Government Notification No. SOFT(EXT)1-2/86(P) dated 03.6.2000 administered its auction on 19-1-2006. The Department further stated that the highest rate offered was Rs.2,460,000/- and the case for formal sanction was referred to the Administrative Department. Later on, another party offered the bid of Rs.30,00,000/- which was more than the previous offer by Rs.540,000/- and the case for decision was with the Administrative Department.

The Sub-Committee conditionally **settled the para subject** to production of approval received from administrative department & verification of the receipts of sale proceeds by Audit.

3. **Para No.53 Page 56 of Audit Report for the year 2001-2002; Working Results**

22.05.2006 The Department explained that Audited accounts for the year 2004-2005 due on 15.01.2006 were submitted to Director General Commercial Audit on 31.12.2005 well before target date.

On the recommendation of Audit, the Sub-Committee recommended **to settle the para.**

Audit Paras (Civil) for the year 2001-02**(Wildlife)****4. Para No.1 Page 8 of Audit Report for the year 2001-2002; Loss of Rs.69,300/- As Closing Cash Balance was not Brought Forward As Opening Balance to New Cash Book**

22.05.2006 The Department explained that for affecting recovery of Rs.69,300/- out of pension, contribution had already been ordered by the DG.W&P/Pension Sanctioning Authority but pension of the officer was still to be released by the Accountant General, Punjab.

The Sub-Committee recommended to **settle conditionally the para subject to recovery & verification** of the relevant record by Audit.

5. Para No.2 Pages 8 & 9 of Audit Report for the year 2001-2002; Theft of Rs.70,898/- and T.V. Costing Rs.21,500/- + F-15 Video Camera Rs.95,000/-

(2.1) Deputy Director (WS),Rs.70,898/-and Rs.21,500/-

22.05.2006 The Department explained that the enquiry officer had submitted *denovo* enquiry report to the authority. The decision would be made after observing formalities under the rules at the earliest.

The Sub-Committee recommended to **settle conditionally the para subject to verification** of recovery by Audit.

(2.2) Deputy Director Publicity-Rs.95,000/-

22.05.2006 The Department explained that *denovo* enquiry had been finalized with recovery of 50% of the cost from Mr. Muhammad Sarwar, Chowkidar & 50% of the cost from Mr. Mushtaq Masih along with dismissal and compulsory retirement to the officials respectively. Recovery would be affected from the pension dues of Mr. Mushtaq Masih, ex-Sweeper and the assets of Mr. Muhammad Sarwar, ex-Chowkidar resting with the Government.

The Sub-Committee recommended to **settle conditionally the para subject to verification** of recovery by Audit.

6. Para No.3 Page 9 of Audit Report for the year 2001-2002; Loss of Rs.350,000/- Due to Theft of Vehicle No.LHV-3527

22.05.2006 The Department explained that the Police Department had been requested to intimate the latest position regarding recovery of Govt. Vehicle No. LHV-3527 vide letter dated 29.4.2006.

The para was settled conditionally subject to write off sanction by the competent authority.

7. Para No.6 Pages 11 & 12 of Audit Report for the year 2001-2002; Bogus Drawal of Rs.224,133/- On Account of Work Charged Establishment and Conveyance Allowance.

(6.2) Curator, Bahawalpur Zoo-Rs.23,373/-.

22.05.2006 The Department explained that recovery of full amount had been made and CTR had also been verified by the concerned Audit officer and the relevant record was available for verification.

The Sub-Committee recommended to **settle the para** as per audit comments.

8. Para No.8 Page 14 of Audit Report for the year 2001-2002; Irregular and Doubtful Payment of Rs.531,904/-.

22.05.2006 The Department explained that *denovo* enquiry had been conducted by the Deputy Director Wildlife, Publicity & Research Cell, wherein, it was established that the cash book particularly mentioned pages from 668 to 683 and payees receipts file, schedule of payments with other relevant documents, no clue of the mis-appropriation or embezzlement took place and the payments had been made to the actual payees. The cancellation of entries at 6 pages of cash book from page 668 to 683 done due to the circumstances beyond control of the then DDO. Moreover, the para was duplication of Para No.1.

The Sub-Committee accordingly recommended to **delete the para.**

9. Para No.9.1 Pages 15 & 16 of Audit Report for the year 2001-2002; Irregular Expenditure On Account of Vehicles and POL Charges Amounting to Rs.61,715/-

Assistant Game Warden Bahawalpur – Rs.21,800/-.

22.05.2006 The Department explained that ex-post facto sanction had already been issued by the competent authority vide No. SOP(FT)1-9/2001-V, dated 28-1-2006 and the record could be verified by Audit.

The Sub-Committee accepted the Departmental explanation and recommended **the para for settlement.**

10. Para No.10 Page 16 of Audit Report for the year 2001-2002; Irregular Repair/Replacement of Existing Works Valuing Rs.205,624/-.

22.05.2006 The Department explained that recovery of over drawn payment had been made from the concerned and CTR had also got verified by the Audit.

The Sub-Committee recommended to **settle the para** as per audit recommendation.

11. Para No.12.2 Page 18 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.347,917/- Beyond Competency.

Assistant Game Warden Wildlife Park, Murree-Rs.165,082/-.

22.05.2006 The Department explained that the tender rates for supply of feed for animals & birds for the year 1999-2000 were approved by the competent authority i.e. Director General, Wildlife & Parks, Punjab. Tender for feed supply for the year 2000-2001 for Wildlife Park, Murree were advertised on 14.07.2000 in daily Nawa-i-Waqat and re-advertised on 10-10-2000 in daily Jang. Tender were not approved and the competent authority allowed to purchase feed on quotation basis vide letter No. 8604/DG.W&P/2001 dated 07.06.2001. The feed supply continued on approved rates for the year 1999-2000 up to February 2001. Then the feed was purchased on quotation basis as allowed by the competent authority.

The Sub-Committee recommended to **settle the para** with the direction that in future such cases should be approved by the Committees made under the rule for such purposes.

12. Para No.13 Page 19 of Audit Report for the year 2001-2002; Irregular-Un-Authorized Drawal of Rs.499,550/- On Account of Purchase of Birds.

22.05.2006 The Department explained that enquiry conducted by Mian Muhammad Naseem Akhtar, Deputy Director Wildlife, Lahore, had been submitted wherein it was concluded that the birds were actually purchased and receipt from the supplier M/s. Barlex Agency, Lahore which were entered in the stock. The record was available for verification.

The Sub-Committee recommended to **settled the para** on assurance of Director General that actions under the rules will be taken against responsible and re-verification of record by Audit will be done.

13. Para No.14 Page 20 of Audit Report for the year 2001-2002; Non Production of Record for the Month 6/2001 Involving Expenditure Rs.877,022/-

22.05.2006 The Department explained that Deputy Director Wildlife, Headquarter had been appointed enquiry officer for conducting de-novo enquiry vide No. 4122/DG.W&P/Estt/05 dated 06-12-2005 which was still under process. Under these circumstance further time was needed.

The Sub-Committee directed the Department to submit the requisite report till the next meeting.

The para was kept pending.

14. Para No.16 Page 21 of Audit Report for the year 2001-2002; Non-Maintenance of Account of Challan Books Involving Amount of Rs.2,000,000/-

22.05.2006 The Department explained that Deputy Director, Wildlife Sciences Gatwala had conducted preliminary enquiry regarding non-production of counterfoils of challan books and registration of FIR losing challan books. According to the conclusion, 10 Wildlife Watchers were responsible for misplacement of record. Show Cause Notice had been issued under PRSO.

The Sub-Committee **kept the para pending.**

(Fisheries)

15. Para No.1 Page 1 of Audit Report for the year 2001-2002; Non-Deduction of Income Tax From the Contractor Amounting to Rs.124,050/-

22.05.2006 The Department explained that order for recovery of Rs.124,050/- from the pay of the concerned officer i.e. Malik Rasheed Ahmad (the then Assistant Director Fisheries, Muzaffargarh) had been issued and accordingly, the Assistant Director Fisheries, Muzaffargarh deposited Rs.7740/- through treasury challans. The District Accounts Officer had also been asked vide this office letter No.A-10/11/11342 dated 29-9-2005 and reminded vide letters No.13807 dated 01-11-2005 and 13894 dated 10-12-2005 to recover the amount @ 1/3rd of the basic pay of the officer but the District Accounts Officer had not so far recovered, the outstanding amount from the salary of the officer.

The accountant General, Punjab had been requested to direct District Accounts Officer to recover the outstanding amount of Rs.124,050/- from the salary of Malik Rashid Ahmad, Assistant Director Fisheries, Muzaffargarh.

The para was kept pending for balance recovery.

16. Para No.2.2 Page 9 of Audit Report for the year 2001-2002; Loss of Rs.832,910/- Due to Non-Recovery From Contractors and Farmers/Breeders.

Assistant Director Fisheries, Jhang-Rs.208,960/-.

22.05.2006 The Department explained that the total recovery of Rs.208,960/- pertained to lease money amounting to Rs.151,250/- and Rs.57,710/- regarding recovery of fish seed supplied to private farmers. Out of that, Rs.36,000/- was outstanding against Mr. Zafar Iqbal, Fish Contractor. The case was referred to Revenue Department to recover the amount as arrear of land revenue. The E.D.O. Mainwali vide his letter No.2092 dated 07.12.2001 had ordered Tehsildar Mianwali to recover the amount. The concerned office had again requested D.C.O. Mianwali vide No.394 dated 14.05.04, No.728 dated 11.11.04, No.387 dated 06.08.05, No.941 dated 14.11.05, No.100, dated 24.03.2006 and No.147 dated 17.04.2006 to recover the amount. The D.C.O. Mianwali had also been requested vide Director General Fisheries, Punjab letter No.4030 dated 06.05.2006 to recover the outstanding amount of Rs.36,000/- from the defaulting contractor at the earliest. Efforts were being made for the recovery of balance amount.

The Sub-Committee recommended to settle the para subject balance recovery and verification of record by Audit.

17. Para No.2.3 Page 9 of Audit Report for the year 2001-2002; Loss of Rs.832,910/- Due to Non-Recovery From Contractors and Farmers/Breeders.

Assistant Director Fisheries District Khanewal-Rs.57,670/-.

22.05.2006 The Department explained that the record for fish seed released in public waters worth Rs.18,400/-, Rs.16,000/- and Rs.4,000/- had been got verified by Audit.

The Sub-Committee recommended to settle the para.

18. Para No.2.4 Page 9 of Audit Report for the year 2001-2002; Loss of Rs.832,910/- Due to Non-Recovery From Contractors and Farmers/Breeders.

Assistant Director Fisheries, Vehari-Rs.43,380/-.

22.05.2006 The Department explained that the agriculture Engineer had assessed the value of unserviceable article as Rs.797/- which had been deposited into Government Treasury on 29.10.2005.

The committee accepted the explanation of Department and recommended to settle the para.

19. Para No.3 Page 10 of Audit Report for the year 2001-2002; Recovery of Rs.186,564/- On Account of Misuse of Government Vehicle No.STF.9704.

22.05.2006 The Department explained that an amount of Rs.204/- for private use of vehicle for 68 K.M. @ Rs.3/- per K.M. had been deposited into Government Treasury and verified by the Treasury Officer.

The committee accepted the explanation of Department and recommended to settle the para.

20. Para No.8.2 Page 15 of Audit Report for the year 2001-2002; Non-Production of Record of Vehicles Valuing Rs.216,265/-.

Assistant Director Fisheries, Jhang-Rs.68,344/-

22.05.2006 The Department explained that the log books of both vehicles were available for verification. Warning had been issued to the concerned officer for non-production of record at the proper time.

The committee accepted the explanation of Department and recommended to settle the para.

(Forests)

21. Para No.2 Pages 8 & 9 of Audit Report for the year 2001-2002; Shortage of Cash Rs.112,063/- During Physical Verification.

22.05.2006 The Department explained that in compliance with the directions of PAC dated 30.12.05 a case for regularization of expenditure of Rs.112,063/- had been submitted to the Government through CCF, Lahore vide his letter No.2258 dated 21-04-06. Moreover, inquiry proceeding against responsible are under process.

The Sub-Committee kept the para pending.

22. Para No.4.1 Pages 10 & 11 of Audit Report for the year 2001-2002; Non-Disposal of Timber/Plant Valuing Rs.21,485,746/-.

D.F.O. Multan – Rs.582,144/-

22.05.2006 The Department stated that disciplinary action against the responsible is under process. Show cause notices under PRSO 2000 has been issued against 18 employees.

The Sub-Committee kept the para pending.

23. **Para No.4.3 Pages 10 & 11 of Audit Report for the year 2001-2002; Non-Disposal of Timber/Plant Valuing Rs.21,485,746/-.**
-

D.F.O. Mianwali – Rs.340,922/-.

22.05.2006 The Department explained that as per direction taken by the PAC necessary recovery was being effected from the retired officials.

The Sub-Committee recommended to **settle the para subject to recovery** and its verification by Audit.

24. **Para No.4.5 Pages 10 & 11 of Audit Report for the year 2001-2002; Non-Disposal of Timber/Plant Valuing Rs.21,485,746/-.**
-

D.F.O. Multan – Rs.142,476/-.

22.05.2006 The Department explained that all the record was available which had been got verified by Audit.

The Sub-Committee recommended to **settle the para** as recommended by Audit.

25. **Para No.4.14 Pages 10 & 11 of Audit Report for the year 2001-2002; Non-Disposal of Timber/Plant Valuing Rs.21,485,746/-**
-

D.F.O. Multan – Rs.317,650/-

22.05.2006 The Department explained that as per direction of PAC, a fresh enquiry had been conducted by Divisional Forest Officer, Bahawalpur. He had submitted the enquiry report to Chief Conservator of Forests, Southern Zone, Multan vide No.1626/a, dated 17.01.2006 holding that recoveries were being effected regularly.

The para was kept pending for balance recovery.

26. **Para No.5.2 Pages 11 & 12 of Audit Report for the year 2001-2002; Non-Deposit of Rs.263,640/- On Account of Compensation Not Deposited Into Government Treasury.**
-

D.F.O. Layyah-Rs.113,920/-.

22.05.2006 The Department explained that evidence of total recovery already effected had been seen and got verified by Audit.

The Sub-Committee recommended to **settle the para** as recommended by Audit.

- 27. Para No.6.3 Pages 12 & 13 of Audit Report for the year 2001-2002; Non-Accountal of Material/Plants/Timber/Fuel Worth Rs.2,331,100/-.**
-

D.F.O. Circle Officer, Multan-Rs.99,790/-.

22.05.2006 The Department explained that as per direction of Public Accounts Committee, balance amount had been recovered and adjusted by Divisional Forest Officer, Muzaffargarh.

The Sub-Committee accepted the Departmental reply and recommended to **settle the para.**

- 28. Para No.6.7 Pages 12 & 13 of Audit Report for the year 2001-2002; Non-Accountal of Material/Plants/Timber/Fuel Worth Rs.2,331,100/-.**
-

D.F.O. Lal Soharnra Park, Bahawalpur-Rs.471,922/-.

22.05.2006 The Department explained that as decided by the PAC in its meeting held on 31.12.2005 and Audit comments dated 18-10-05, case had been sent to the CF/Administrator, LSNP, vide this office letter No.4132/Ac dated 18.04.06 and subsequent letter dated 26.04.06 for getting the post facto sanction/ approval from the competent authority.

The para was kept pending till decision of the competent authority.

- 29. Para No.8 Page 14 of Audit Report for the year 2001-2002; Loss of Rs.2,000,450/- Due to Illegal Cutting/Damage/Shortage of Trees**
-

22.05.2006 The Department explained that the enquiry report had been received and was being finalized and progress would be shown to Audit for verification.

The Sub-Committee recommended to **settle the para subject to verification** of record by Audit.

- 30. Para No.10.2 Pages 16 & 17 of Audit Report for the year 2001-2002; Loss of Rs.65,209,199/- Due to Non Recovery of Government Money From Contractors/Officials.**
-

D.F.O. (Ext) Lahore – Rs.351,321/-.

22.05.2006 The Department explained that as per decision of the PAC. The case for write off the loss of Rs.2810/- had been submitted to the Chief Conservator of Forests, (P&E) Punjab, Central Zone, Lahore.

The Sub-Committee accepted the Departmental reply and recommended to **settle the para.**

31. **Para No.10.21 Pages 16 & 17 of Audit Report for the year 2001-2002; Loss of Rs.65,209,199/- Due to Non Recovery of Government Money From Contractors/Officials**
-

D.F.O. Sheikhpura/Lahore-Rs.2,233,915/-

22.05.2006 The Department explained that the outstanding amounts of form No.11 were due against the official/ officers and recoveries from the officials were being effected from their salaries through monthly installments regularly.

The sub-committee recommended to **settle the para subject** to balance recovery.

32. **Para No.11.2 Pages 17 & 18 of Audit Report for the year 2001-2002; Loss of Rs.7,515,196/- Due to Non/Less Deduction of Income/General Sale Tax**
-

Circle Officer, Rawalpindi-Rs.90,417/-

22.05.2006 The Department explained that an amount of Rs.19,731/- of the para related to repair works of the vehicles, machinery, furniture and items of agriculture produce on which sale tax was not levied. The remaining amount of Rs.70,686/-of sale tax was recoverable against which Rs.28,500/- had been recovered from the disbursers.

The para was kept pending for balance recovery.

33. **Para No.11.4 Pages 17 & 18 of Audit Report for the year 2001-2002; Loss of Rs.7,515,196/- Due to Non/Less Deduction of Income/General Sale Tax.**
-

D.F.O. (R&M) Bhakkar-Rs.165,964/-.

22.05.2006 The Department explained that as per enquiry report conducted by Mr. Muhammad Abdul Muqeet Khan DFO, Bhakkar, the actual amount of Sales tax involved came to Rs.82,532/- instead of Rs.165,964/-. Against Rs.82,532/-, an amount of Rs.32,174/- had already been recovered. The balance amount of Rs.50,358/- had also been recovered from concerned shopkeepers and was being deposited with the sales tax Department. The relevant record was available for verification.

The Sub-Committee accepted the Departmental reply and recommended to **settle the para.**

- 34. Para No.11.7 Pages 17 & 18 of Audit Report for the year 2001-2002; Loss of Rs.7,515,196/- Due to Non/Less Deduction of Income/General Sale Tax.**
-

D.F.O. (R&M) Div: Bhakkar - Rs.32,354/-.

22.05.2006 The Department explained that as per enquiry report conducted by DFO Bhakkar, it was concluded that the amount of sales tax came to Rs.32,082/- instead of Rs.32,354/-. All the recoveries had since been effected from all the concerned and deposited with the sales tax Department. The relevant record/ treasury challans had been got verified by Audit.

The Sub-Committee recommended to **settle the para** as recommended by Audit.

- 35. Para No.11.9 Pages 17 & 18 of Audit Report for the year 2001-2002; Loss of Rs.7,515,196/- Due to Non/Less Deduction of Income/General Sale Tax.**
-

D.F.O. R.Y. Khan - Rs.4,917,067/-.

22.05.2006 The Department explained that the requisite treasury challan had been verified by the Sales Tax Department.

The Sub-Committee recommended to **settle the para** on the recommendation of Audit.

- 36. Para No.11.11 Pages 17 & 18 of Audit Report for the year 2001-2002; Loss of Rs.7,515,196/- Due to Non/Less Deduction of Income/General Sale Tax.**
-

D.F.O. Mianwali-Rs.285,970/-.

- 37. Para No.11.12 Pages 17 & 18 of Audit Report for the year 2001-2002; Loss of Rs.7,515,196/- Due to Non/Less Deduction of Income/General Sale Tax.**
-

D.F.O. Bhakkar-Rs.20,081/-.

- 38. Para No.11.14 Pages 17 & 18 of Audit Report for the year 2001-2002; Loss of Rs.7,515,196/- Due to Non/Less Deduction of Income/General Sale Tax.**
-

D.F.O. Layyah-Rs.159,065/-.

22.05.2006 The Department explained that according to the Government of Pakistan Notification No.1 (87) STM/99, dated 19-05-1999 read with collectorate of Sales Tax. Government of Pakistan No.IV(2)3599/2823 dated 29.05.1999, Supplies (including) sales lease or other disposition of goods) of Firewood/Fuel wood/Timber Logs and all other

kinds of wood were not exempted from Sales Tax. The spirit of above orders clearly indicated that minor produce like Munj/Khana was exempted from Sales Tax.

The Sub-Committee did not accept the explanation of the department and the **paras were kept pending** for effecting recovery for intervening period.

39. Para No.13.1 Pages 19 & 20 of Audit Report for the year 2001-2002; Recovery of Rs.690,925/- Due to Non Realizing of Penalty imposed Upon the Officials

D.F.O. Multan – Rs.562,486/-.

22.05.2006 The Department explained that out of total amount of Rs.562,486/- an amount of Rs.546,186/- had been recovered / set aside, leaving a balance of Rs.16,300/-. The balance amount had been included in the form No.11 and the recovery was being effected regularly.

The Sub-Committee recommended to **settle the para.**

40. Para No.13.2 Pages 19 & 20 of Audit Report for the year 2001-2002; Recovery of Rs.690,925/- Due to Non Realizing of Penalty imposed Upon the Officials.

D.F.O. Silvicultural – Rs.39,125/-.

22.05.2006 The Department explained that recovery was being deducted from the pay of the official on monthly basis @ Rs.1500/- per month. A sum of Rs.26,500/- had been recovered upto 4/06 leaving a balance of Rs.12,625/-. Balance recovery was included in form No.11 and was being recovered regularly.

The sub-committee recommended to **settle the para subject** to balance recovery.

41. Para No.15.9 Page 21 of Audit Report for the year 2001-2002; Loss of Rs.45,901,549/- Due to Non Finalization of Offence Cases

D.F.O. Lahore/Sheikhupura – Rs.262,835/-

22.05.2006 The Department explained that 2 cases worth Rs.42,000/- had been decided by the court acquitting the culprit. But the Department did not initiate action against the officials of the Forest Department. In the second case valuing Rs.70,450/-, case was underway against the Departmental officials. In the third case of Rs.21,735/- was still in the court of law.

The para was kept pending for balance recovery.

- 42. Para No.16 Page 22 of Audit Report for the year 2001-2002; Loss of Rs.1,008,000/- Due to Fire Accident In Forest Area.**
-

22.05.2006 The Department explained that Department had produced the entire record regarding recovery. The same had been seen and got verified by Audit.

The Sub-Committee recommended to **settle the para** as recommended by Audit.

- 43. Para No.19.3 Pages 24 & 25 of Audit Report for the year 2001-2002; Loss of Rs.4,094,773/- Due to Non Finalization of Forest Cases by Courts.**
-

D.F.O. Cholistan B/pur – Rs.18,070/-.

22.05.2006 The Department explained that as per directions of the Public Accounts Committee meeting dated 30.12.2005, the case for getting the difference of Rs.12,570/- accrued on account of fine imposed less by the various courts than that proposed by the Department. The write off sanction had been accorded by the Competent Authority.

The Sub-Committee accepted the Departmental reply and recommended to **settle the para.**

- 44. Para No.19.7 Pages 24 & 25 of Audit Report for the year 2001-2002; Loss of Rs.4,094,773/- Due to Non Finalization of Forest Cases by Courts.**
-

D.F.O. Bhakkar – Rs.350,640/-

22.05.2006 The Department explained that in compliance with PAC directions, the case for write off had been sent to the Conservator of Forests, (DWP) Sargodha.

The Sub-Committee recommended to **settle the para subject** to decision of the competent authority.

- 45. Para No.23 Pages 27 & 28 of Audit Report for the year 2001-2002; Irregular Cash Forest Advances Amount Under Observation Rs.2,826,094/-**
-

22.05.2006 The Department explained that PLA of C.F. extension Circle, Lahore was at Lahore, DFO, Faisalabad and DFO, Gujranwala were given cash advance on the direction of C.F. Extension Circle, Lahore, due to the reason that it takes 4.5 weeks to clear PLA cheques, if submitted at the Treasuries out of Lahore i.e. Gujranwala and Faisalabad. The amount was released during June. It was not possible for DFO, Faisalabad and Gujranwala to utilize this amount, if it could not be done, the said amount could be lapsed due to lengthy procedure of passing PLA cheques. That was why the cheques were issued to DFO, Extension, Lahore and cash was handed over to respective DFO's.

The Department was directed to get the facts and figures verified within 30 days under intimation to PAC and **para was kept pending.**

- 46. Para No.67.1 Pages 58 & 59 of Audit Report for the year 2001-2002; Irregular and Unauthorized Advance Drawal of Rs.475,316/-**
-

Secretary Forest – Rs.248,760/-

22.05.2006 The Department explained that WAPDA had issued reconciliation certificate on the request of this Department according to which no discrepancy/dispute was existing between Department and WAPDA. Original reconciliation had been got verified by Audit.

The Sub-Committee recommended to **settle the para** as recommended by Audit.

- 47. Para No.70.12 Pages 61 & 62 of Audit Report for the year 2001-2002; Non-Production of Record on Account of Different Articles Etc. Amounting to Rs.11,838,892/-.**
-

Conservator of Forest Coordination, Multan – Rs.117,555/-

22.05.2006 The Department explained that the requisite record was available and got verified by Audit.

The Sub-Committee accepted the Departmental reply and recommended to **settle the para.**

- 48. Para No.72.2 Page 63 of Audit Report for the year 2001-2002; Likely Misappropriation of Rs.417,855/- on Account of Maintenance of Nurseries**
-

D.F.O. Layyah – Rs.45,900/-

22.05.2006 The Department explained that the nursery register and form No. 7 for 6/2000 and 6/2001 would be produced to Audit for verification. The enquiry report of the nursery was also available for verification.

On the statement of the Administrative Secretary that there was no misappropriation, the Sub-Committee recommended to **settle the para.**

The paras were discussed in the meeting of Sub-Committee-VII held on 24.07.2006.

**Audit Paras (Commercial) for the Year 2001-2002
(Alkaloid Factory)**

**1. Para No.45- Page 49 of Commercial Accounts for the year 2001-2002;
Working Results**

24.07.2006 The Department explained that the accounts for the year 2001-2002 had been compiled by the organization and got verified by audit.

Audit verified the contention of the department and recommended the para for settlement.

The Sub-Committee recommended to **settle the para.**

**2. Para No.46 Page 50 of Commercial Accounts for the year 2001-2002:-
Working Results**

24.07.2006 The Department explained that reminder had been issued to the Competent authority i.e. Secretary Narcotics, Government of the Pakistan to destroy it by burning at the earliest.

The para was kept pending with the directions that the opium be disposed off at the earliest.

**3. Para No.47 Page 51 of Commercial Accounts for the year 2001-2002:-
Working Results**

24.07.2006 The Department explained that now the grant had been received and the excess amount would be adjusted in the next month.

The para was kept pending.

**4. Para No.48 Page 51 of Commercial Accounts for the year 2001-2002:-
Working Results**

24.07.2006 The Department explained that the accounts had been reconciled and the reconciliation statement had been got verified by audit.

Audit verified the contention of the department and recommended the para for settlement.

The Sub-Committee recommended to **settle the para.**

5. Para No. 50 Page 51 of Commercial Accounts for the year 2001-2002, Working Results

24.07.2006 The Department explained that the accounts had been compiled and got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The Sub-Committee recommended to settle the para.

Audit Paras (Revenue Receipts) for the year 2001-2002

1. Para No.1.2 Pages 15, 16, 116, 117, 118, 119 & 120 of Audit Report for the year 2001-2002; Non-Recovery of Property Tax in Respect of Units Owned by WAPDA, PTCL and Other Autonomous Bodies Rs.39,269,908/-

(PDP No.7634) ETO-Zone-VIII, Lahore-Rs.991,285/-

(PDP No.7268) ETO-I, Gujranwala-Rs.615,967/-

(PDP No.7313) ETO-I, Multan-Rs.457,032/-

(PDP No.7589) ETO-Zone-III, Lahore-Rs.449,212/-

(PDP No.7632) ETO-Zone-VIII, Lahore-Rs.442,362/-

(PDP No.7716) ETO, Jhang-Rs.409,844/-

(PDP No.7154) ETO, Chakwal-Rs.369,876/-

(PDP No.7240) ETO, Bahawalpur -Rs.322,919/-

(PDP No.7233) ETO, R. Y. Khan-Rs.305,872/-

(PDP No.7792) ETO-I, Faisalabad-Rs.291,600/-

(PDP No.7274) ETO-III, Gujranwala-Rs.252,095/-

(PDP No.7115) ETO, Khushab-Rs.221,814/-

(PDP No.7325) ETO-III, Multan-Rs.209,321/-

(PDP No.7156) ETO, Chakwal-Rs.185,507/-

(PDP No.7457) ETO-Zone-VI, Lahore-Rs.172,009/-

(PDP No.7451) ETO-Zone-V, Lahore-Rs.167,575/-

(PDP No.7471) ETO-Zone-IX, Lahore-Rs.142,911/-

(PDP No.7321) ETO-II, Multan -Rs.135,991/-

(PDP No.7434) ETO-Zone-I, Lahore-Rs.113,220/-
(PDP No.7464) ETO-Zone-VII, Lahore-Rs.111,246/-
(PDP No.7849) ETO, Muzaffargarh-Rs.95,125/-
(PDP No.7282) ETO-III, Gujranwala-Rs.87,437/-
(PDP No.7640) ETO, Sahiwal-Rs.86,100/-
(PDP No.7503) ETO, M. B. Din-Rs.85,065/-
(PDP No.7296) ETO-I, Gujranwala-Rs.71,249/-
(PDP No.7444) ETO-Zone-IV, Lahore-Rs.58,760/-
(PDP No.7441) ETO-Zone-II, Lahore-Rs.57,341/-
(PDP No.7136) ETO, Attock-Rs.39,731/-
(PDP No.7407) ETO, Pakpattan -Rs.38,603/-
(PDP No.7674) ETO, Khan-e-Wal-Rs.32,417/-
(PDP No.7485) ETO-Zone-X, Lahore -Rs.24,878/-
(PDP No.7495) ETO-Zone-XI, Lahore-Rs.21,044/-
(PDP No.7652) ETO, Bahawalnagar-Rs.15,249/-
(PDP No.7287) ETO, Gujranwala-Rs.13,359/-
(PDP No.7196) ETO-III, Rawalpindi-Rs.188,024/-
(PDP No.7346) ETO, Kasur-Rs.64,549/-
(PDP No.7393) ETO, Okara-Rs.16,683/-
(PDP No.7895) ETO, Sheikhupura-Rs.25,305/-

2. Para No.1.3 Pages 16, 17 & 18 of Audit Report for the year 2001-2002; Non-Realization of 15 Per Cent Provincial Government Share of Property Tax From Cantonment Board- Rs.15,279,564/-

(PDP No.7501) ETO, Gujrat-Rs.246,075/-
(PDP No.7389) ETO, OKARA-Rs.103,307/-
(PDP No.7134) ETO, Attock-Rs.120,914/-

3. Para No.1.4 Pages 18 & 121 of Audit Report for the year 2001-2002; Non-Realization of Property Tax by Non-Enforcing Provisions of Law Rs.9,173,900/-

(PDP No.7750) ETO-III, Faisalabad-Rs.1,132,979/-
(PDP No.7158) ETO, Chakwal-Rs.1,129,213/-

(PDP No.7217) ETO, Jhelum-Rs.684,731/-
(PDP No.7741) ETO-I, Faisalabad-Rs.674,130/-
(PDP No.7324) ETO-III, Multan-Rs.374,688 /-
(PDP No.7367) ETO, Sialkot-Rs.373,905/-
(PDP No.7625) ETO-Zone-VIII, Lahore-Rs.370,649/-
(PDP No.7544) ETO, D. G. Khan-Rs.332,286/-
(PDP No.7320) ETO-II, Multan-Rs.304,592/-
(PDP No.7372) ETO, Sialkot-Rs.251,536/-
(PDP No.7506) ETO, M. B. Din-Rs.244,984/-
(PDP No.7661) ETO, Vehari-Rs.129,717/-
(PDP No.7853) ETO, Lodhran-Rs.122,651/-
(PDP No.7669) ETO, Khan-e-Wal-Rs.116,778/-
(PDP No.7289) ETO, Hafizabad-Rs.109,255/-
(PDP No.7439) ETO-Zone-II, Lahore-Rs.102,426/-
(PDP No.7658) ETO, Vehari-Rs.83,617/-
(PDP No.7803) ETO, T. T. Singh-Rs.68,154/-
(PDP No.7117) ETO, Khushab-Rs.67,493/-
(PDP No.7329) ETO-III, Multan-Rs.59,230/-
(PDP No.7662) ETO, Vehari-Rs.41,018/-
(PDP No.7672) ETO, Khan-e-Wal-Rs.37,877/-
(PDP No.7505) ETO, M. B. Din-Rs.27,042/-

24.07.2006 The Department explained that the total recovery had been made in the above mentioned PDPs and the record had been got verified by audit.

On the recommendation of audit, the Sub-Committee recommended the PDPs for settlement.

4. Para No.1.2 Pages 15, 16, 116, 117, 118, 119 & 120 of Audit Report for the year 2001-2002; Non-Recovery of Property Tax in Respect of Units Owned by WAPDA, PTCL and Other Autonomous Bodies Rs.39,269,908/-

(PDP No.7364) ETO, Sialkot-Rs.386,737/-
(PDP No.7500) ETO, Gujrat-Rs.150,532/-
(PDP No.7660) ETO, Vehari-Rs.179,923/-

5. **Para No.1.4 Pages 18 & 121 of Audit Report for the year 2001-2002; Non-Realization of Property Tax by Non-Enforcing Provisions of Law Rs.9,173,900/-**

(PDP No.7133) ETO, Attock-Rs.1,580,479/-

(PDP No.7583) ETO-Zone-XII, Lahore-Rs.912,186/-

(PDP No.7489) ETO-Zone-XI, Lahore-Rs.503,185/-

(PDP No.7590) ETO-Zone-III, Lahore-Rs.247,867/-

(PDP No.7554) ETO, Rajan Pur-Rs.152,295/-

24.07.2006 The Department explained that the total recovery had been made in the above mentioned PDPs and the record was available for verification.

The Sub-Committee recommended to settle the PDPs subject to verification of record by audit.

6. **Para No.1.2 Pages 15, 16 & 116-120 of Audit Report for the year 2001-2002; Non-Recovery of Property Tax in Respect of Units Owned by WAPDA, PTCL and Other Autonomous Bodies Rs.39,269,908/-**

(PDP No.7588) ETO-Zone-III, Lahore-Rs.17,956,954/-

(PDP No.7633) ETO-Zone-VIII, Lahore-Rs.63,946/-

(PDP No.7315) ETO-I, Multan-Rs.314,690/-

(PDP No.7452) ETO-Zone-V, Lahore-Rs.146,370/-

(PDP No.7463) ETO-Zone-VIII, Lahore-Rs.1,370,250/-

(PDP No.7546) ETO, D. G. Khan-Rs.129,816/-

(PDP No.7478) ETO-Zone-IX, Lahore-Rs.99,372/-

(PDP No.7586) ETO-Zone-XII, Lahore-Rs.38,500/-

(PDP No.7183) ETO-I, Rawalpindi-Rs.3,864,314/-

(PDP No.7794) ETO-I, Faisalabad-Rs.50,493/-

(PDP No.7236) ETO, R. Y. Khan-Rs.336,518/-

(PDP No.7657) ETO, Vehari-Rs.101,739/-

(PDP No.7105) ETO, Sargodha-Rs.312,331/-

(PDP No.7635) ETO, Sahiwal-Rs.237,172/-

(PDP No.7636) ETO, Sahiwal-Rs.138,845/-

(PDP No.7651) ETO, Bahawalnagar-Rs.96,228/-

(PDP No.7673) ETO, Khan-e-wal-Rs.87,802/-

(PDP No.7405) ETO, Pakpattan Sharif-Rs.74,100/-

(PDP No.7856) ETO, Lodhran-Rs.58,704/-

(PDP No.7292) ETO, Hafizabad-Rs.46,042/-

(PDP No.7277) ETO-II, Gujranwala-Rs.38,205/-

(PDP No.7248) ETO, Bahawalpur-Rs.29,430/-

(PDP No.7119) ETO, Khushaab-Rs.21,666/-

(PDP No.7390) ETO, Okara-Rs.165,310/-

(PDP No.7892) ETO, Sheikhupura-Rs.63,396/-

7. **Para No.1.4 Pages 18, 121 & 122 of Audit Report for the year 2001-2002; Non-realization of Property Tax by non-enforcing provisions of law - Rs.9,173,900/-**

(PDP No.7637) ETO, Sahiwal-Rs.110,693/-

24.07.2006 The Department explained that the Lahore High Court Lahore had decided the case in favour of development authorities and the department had made a reference to the Law Department for seeking advice on the question of appeal against the decision of the Lahore High Court Lahore in the Supreme Court.

The PDPs were kept pending.

8. **Para No.1.2 Pages 15, 16 & 116-120 of Audit Report for the year 2001-2002; Non-Recovery of Property Tax in Respect of Units Owned by WAPDA, PTCL and Other Autonomous Bodies Rs.39,269,908/-**

(PDP No.7319) ETO-II, Multan-Rs.832,361/-

9. **Para No.1.3 Pages 16, 17 & 18 of Audit Report for the year 2001-2002; Non-Realization of 15 Per Cent Provincial Government Share of Property Tax From Cantonment Board- Rs.15,279,564/-**

(PDP No.7247) ETO, Bahawalpur-Rs.472,354/-

(PDP No.7311) ETO-I, Multan-Rs.1,569,943/-

(PDP No.7104) ETO, Sargodha-Rs.364,817/-

(PDP No.7218) ETO, Jhelum-Rs.219,252/-

(PDP No.7182) ETO-I, Rawalpindi-Rs.12,044,364/-

(PDP No.7198) ETO-III, Rawalpindi -Rs.138,538/-

10. **Para No.1.4 Pages 18 & 121 of Audit Report for the year 2001-2002; Non-Realization of Property Tax by Non-Enforcing Provisions of Law Rs.9,173,900/-**
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(PDP No.7312) ETO-I, Multan-Rs.918,445/-

24.07.2006 The Department explained that the partial recovery had been effected in the above mentioned PDPs and the efforts were being made for the balance recovery.

The Committee reduced the PDPs to the extent of recovery and **kept pending** for balance recovery.

11. **Para No.1.4 Pages 18 & 121 of Audit Report for the year 2001-2002; Non-Realization of Property Tax by Non-Enforcing Provisions of Law Rs.9,173,900/-**
-

(PDP No.7230) ETO Rahim Yar Khan, Rs.1,271,124/-

24.07.2006 The department explained that para related to a textile Mill in R.Y.Khan and the appointment of liquidator had been approved by the competed authority for auction of the mill.

The para was kept pending with the direction that recovery be effected at the earliest.

12. **Para No.1.5 Pages 19-20 of Audit Report for the year 2001-2002; Non-Assessment of Additional Tax Rs.2,899,537/-**
-

(PDP No.7237) ETO, Rahim Yar Khan-Rs.1,036,104/-

(PDP No.7442) ETO-IV, Lahore-Rs.409,565/-

(PDP No.7318) ETO-II, Multan-Rs.378,320/-

(PDP No.7365) ETO, Sialkot-Rs.311,622/-

(PDP No.7128) ETO, Mianwali-Rs.264,432/-

(PDP No.7106) ETO, Sargodha-Rs.135,072/-

(PDP No.7180) ETO, Chakwal-Rs.45,515/-

(PDP No.7191) ETO, Rawalpindi-Rs.56,748/-

24.07.2006 The department explained that as per directions of PAC, an Inquiry Committee headed by Director, E&T Department had probed into the matter and submitted its recommendations to the PAC.

The Sub-Committee recommended to **settle the PDPs** with the direction that disciplinary action be taken against the persons found responsible, as per findings of Inquiry Committee, under intimation to the PAC.

The paras were discussed in the meeting of Sub-Committee-VII held on 24.08.2006.

FOOD DEPARTMENT

Audit Paras (Revenue Receipts) for the year 2001-02

1. **Para No.5.2 Pages 82 & 83 of Audit Report for the year 2001-2002; Short-Realization of Sugar-cane (Development) Cess Due to Unlawful Retention of Collected Cess Rs.9,850,080/-**
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24.08.2006 The Department explained that balance amount of Rs.2,209,362/- had been recovered & verified by Audit.

The Sub-Committee accordingly recommended to **settle the para.**

2. **Para No.5.3 Pages 83 & 84 of Audit Report for the year 2001-2002; Non-Realization of Penalty Rs.14,431,080/-**
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24.08.2006 The Department explained the position of mill wise recovery was as under:-

- i) **Tandhlianwala Sugar Mill**

The Department explained that as per directions of PAC, balance recovery had been effected and verified by Audit.

The Sub-Committee recommended to **settle this part**

- ii) **Pattoki Sugar Mill**

The matter was still pending for decision in the Supreme Court.

Being subjudice **the part was kept pending.**

- iii) **Brothers Sugar Mill**

The amount of penalty had been recovered & verified by Audit.

The part was settled.

- iv) **Pahrianwali Sugar Mill**

The Department explained that installments of penalty would become due w.e.f. 20.10.07 as per direction of the court.

The part was kept pending with the direction that record be got verified by Audit.

v) **Adam Sugar Mill**

The Department explained that partial recovery had been effected and for balance amount DO (R) Bahawalnagar had been requested to effect recovery as arrears of Land Revenue. However, no progress was noticed yet.

The Sub-Committee directed that DO (R) Bahawalnagar be directed to appear before the PAC-II on 29.08.2006 to apprise the Committee of his efforts for recovery of outstanding dues.

This part was kept pending.

vi) **Yousaf & Abdullah Sugar Mill**

The *denovo* proceedings in compliance with orders of Lahore High Court Lahore were under process.

Being subjudice **this part was kept pending.**

vii) **Indus Sugar Mills**

The Department explained that the matter was pending with DO (R) Rajanpur for recovery as arrears of Land Revenue but no progress was made. Reminders were also issued to him. Last reminder was issued on 15-08-06.

The Sub-Committee directed that DO (R) Rajanpur should attend the meeting of PAC-II fixed for 29.08.2006 to apprise the Committee of his efforts made to recover the public money.

viii) **Baba Farid Sugar Mill**

The Cane Commissioner Punjab had waved off the penalty vide orders dated 24.02.2006.

The Sub-Committee recommended to **settle this part.**

3. **Para No.5.6 Pages 85 & 86 of Audit Report for the year 2001-2002; Short-Realization of Sugar Cane Cess Rs.1,377,420/-**

24.08.2006 The department explained that necessary amendment in the Punjab Finance Act 1964 that **“the Sugar Mills of Punjab will deposit the mills share of cess @ notified by the Government of Punjab and the growers share deposit to the province from where the sugarcane is purchased”** had been moved for approval of the competent authority.

The para was kept pending.

Audit Paras (Civil) for the year 2001-02

1. **Para No.1.12 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.**
-

District Food Controller, M/Garh – Rs.1,310,000/-

24.08.2006 The Department explained that concerned official requisible for doubtful De-Classification of Tarpemlines was proceeded against under the E & D rules and recovery was imposed on him by the competent authority. Moreover, the matter for recovery was referred to the DO (Revenue) M. Garh for recovery as arrears of Land Revenue.

The para was kept pending with the direction that Department should pursue the matter with Revenue Authorities.

2. **Para No.1.18 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat**
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District Food Controller I, Lahore– Rs.165,348/-

24.08.2006 The Department explained the item wise position of para as under

Item II, Banglas Achha 2449 Bags

It was stated that complete record was available for verification by Audit.

The Sub-Committee recommended to **settle this item** as audit verified it for settlement.

Item IV, T. T. Singh 1565 Bags

The Department explained that partial recovery had been effected and only Rs.12,684/- was outstanding. However the CVs could not got verified by DAO.

The item was kept pending for balance recovery.

Item V PR centre Khudian 1124 Bags

The matter for recovery had been referred to Revenue Authorities for recovery as arrears of Land Revenue and a criminal case had also been got registered against the defaulter.

This item was kept pending with directions that Department should pursue the matter vigorously.

3. **Para No.1.20 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.**

District Food Controller II, Lahore – Rs.50,082/-

24.08.2006 The Department explained that matter for recovery on account of differential cost of 1666 bags had been referred to DO (Rev) Kasur for recovery as arrears of Land Revenue. However no progress had been made yet.

The para was kept pending with the directions that DCO & DOR Kasur be requested to direct the concerned quarters to expedite the matter for recovery of outstanding dues.

4. **Para No.1.21 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.**

District Food Controller, Kasur – Rs.165,699/-

24.08.2006 The Department explained that matter was still pending with Revenue Authorities for recovery as arrears of Land Revenue and a criminal case had also been got registered with ACE against the accused official.

The para was kept pending for recovery.

5. **Para No.1.26 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.**

District Food Controller, Mianwali – Rs.69,373/-

24.08.2006 The department explained that the matter regarding Mr. Abdul Hassan Khan, FGS, was under process for write off sanction and efforts were being made for recovery from Mr. Tariq Mahmood Khan, AFC, as arrears of land revenue.

The para was kept pending for necessary action & balance recovery.

6. **Para No.2.7 Pages 9 & 10 of Audit Report for the year 2001-2002; Loss of Rs.16,345,513/- Due to Godown Shortage of Wheat.**

District Food Controller, Kasur – Rs.4,024,421/-

24.08.2006 The Department explained that accused official had filed an appeal before the Punjab Service Tribunal against the orders dated 23.07.2004.

Being subjudice, the para was kept pending.

7. **Para No.2.8 Pages 9 & 10 of Audit Report for the year 2001-2002; Loss of Rs.16,345,513/- Due to Godown Shortage of Wheat.**

District Food Controller, Kasur – Rs.1,040,649/-

24.08.2006 The Department explained that denovo inquiry had been finalized and submitted for orders of the competent authority. Moreover a criminal case had been lodged in the ACE against the accused official.

The para was kept pending with the directions that Department should pursue the matter.

8. **Para No.2.9 Pages 9 & 10 of Audit Report for the year 2001-2002; Loss of Rs.16,345,513/- Due to Godown Shortage of Wheat.**

District Food Controller, Kasur – Rs.558,084/-

24.08.2006 The department explained that demand for recovery as arrears of Land Revenue had been created against the accused Flour Mill and a criminal case had also been got registered with the Police. However, the Flour Mill was not operational and its food grain license had not been renewed. Moreover, the actual loss had already been recovered.

The Sub-Committee recommended to settle the para with directions that administrative Secretary may resolve the matter as per rules.

9. **Para No.5 Page 13 of Audit Report for the year 2001-2002; Loss of Rs.425,000/- Due to Dacoity of Government Vehicle No.8910-VRE and Non Production of Log Book History Sheet Involving Expenditure of Rs.71,679/-**

24.08.2006 The department explained that matter for dacoity of Jeep No.8910 VRS had been taken up with the Police Department but no culprits could be convicted and the department had approached the Finance Department for write off sanction of the loss which was under process.

The Sub-Committee accepted the explanation of the department and recommended to settle the para.

10. **Para No.6.11 Pages 14 & 112 of Audit Report for the year 2001-2002; Loss of Rs.25,320,637/- to Government on Account of Shortage of Wheat/Bardana and Stock Articles.**

District Food Controller, Faisalabad – Rs.4,262,660/-

11. **Para No.1.14 Pages 9 & 109 of Audit Report for the year 2001-2002; Loss of Rs.34,463,460/- Due to Enroute Shortage of Wheat.**

District Food Controller, D. G. Khan – Rs.120,000/-

12. **Para No.85.3 Page 75 of Audit Report for the year 2001-2002; Loss of Rs.11,454,120/- Due to Substandard Purchase of Aluminum Phosphate Tablets**

District Food Controller, I, Lahore – Rs.3,204,425/-

24.08.2006 The Department explained that necessary action had been taken in respect of above paras and departmental contention had been verified by Audit.

The Sub-Committee recommended **to settle the para.**

13. **Para No.20.5 Pages 25, 26 & 27 of Audit Report for the year 2001-2002; Non Recovery of Heavy Government Dues Rs.186,636,381/- from Officials.**

District Food Controller I, Lahore – Rs.1,937,520/-

24.08.2006 The Department explained that a case for write off sanction had been moved to Finance Department.

The para was kept pending for write off sanction by the competent authority.

14. **Para No.20.6 Pages 25, 26 & 27 of Audit Report for the year 2001-2002; Non Recovery of Heavy Government Dues Rs.186,636,381/- From Officials.**

District Food Controller, Lahore – Rs.376,068/-

24.08.2006 The department explained that 11242 and 742 B class bags of 100 Kg were already involved in DP No.9.13 for the year 2000-2001 so two items consisting of 11242 B-class bags and 742 B-class of 100 Kg be deleted from this para. However demand for 1500-A-class bags had been created with revenue authorities for recovery as arrears of Land Revenue.

The Sub-Committee recommended to delete the bags involved in DP.9.13 (2000-2001) from this para and the remaining part was **kept pending** for recovery.

15. **Para No.25 Pages 29 & 30 of Audit Report for the year 2001-2002; Non Recovery of Rs.880,621/- Due to Handing Over Ten Godowns to Health Department**

24.08.2006 The Department explained that as per directions of PAC, efforts were being made to arrange a meeting with Finance and Health Department. However Finance Department contented that there was no loss to the Government as the matter was between two government departments.

The Sub-Committee recommended **to settle the para.**

16. Para No.28 Pages 31 & 32 of Audit Report for the year 2001-2002; Unauthorized Drawal of House Rent Allowance and Conveyance Allowance Rs.89,362/-

24.08.2006 The Department explained that partial recovery had been effected and only Rs.35,570/- were outstanding against 13 retired officials who had filed an appeal before the competent authority against the recovery.

The Sub-Committee considered the matter and decided to recommend **the para for settlement.**

17. Para No.31 Page 33 of Audit Report for the year 2001-2002; Non-Recovery of Difference in Price of Bardana Amounting to Rs.58,215/-.

24.08.2006 The Department explained that the competent authority had decided the appeal of contractor on 22-8-2006 and recovery would be effected soon from his security deposit.

The Sub-Committee **pended this para with the direction** that recovery be effected forth with and get necessary verification by Audit.

18. Para No.35.17 Pages 36 & 114 of Audit Report for the year 2001-2002; Loss of Rs.63,270,564/- Due to De-Classification of Bags, Tarpaulins and Stock Articles

District Food Controller II, Lahore – Rs.11,559,493/-

24.08.2006 The Department explained that verification of bulk record had been got conducted by Audit. However, in some cases audit had some reservations regarding the format of statements etc.

The para was kept pending with the directions that complete record be got verified by Audit by 4 September 2006.

19. Para No.48.3 Pages 46 & 47 of Audit Report for the year 2001-2002; Irregular expenditure of Rs.1,658,700/- on Printing.

District Food Controller II, Lahore – Rs.749,669/-

20. Para No.64.1 Page 59 of Audit Report for the year 2001-2002; Irregular Drawal of Pay and Allowances Worth Rs.1,756,417/-

District Food Controller II, Lahore – Rs.366,694/-

21. Para No.64.2 Page 59 of Audit Report for the year 2001-2002; Irregular Drawal of Pay and Allowances Worth Rs.1,756,417/-

Deputy Director Food, Lahore – Rs.52,926/-

22. Para No.64.3 Page 59 of Audit Report for the year 2001-2002; Irregular Drawal of Pay and Allowances Worth Rs.1,756,417/-

Deputy Director Food, Lahore – Rs.1,182,113/-

24.08.2006 The Department explained that matter was pending with the Finance Department for regularization of the expenditure.

The paras were kept pending with the direction that Finance Department should expedite the matter.

The paras were discussed in the meeting of Sub-Committee-VII held on 21.10.2006.

IRRIGATION & POWER DEPARTMENT

Audit Paras (Works) for the Year 2001-02

1. Para No.7 Pages 15 & 16 of Audit Report for the year 2001-2002; Overpayment of Rs.0.455 Million on Account of Excessive Quantities

21.10.2006 The Department explained that in compliance of the PAC directions, the record was produced to audit which had verified the payment of Rs.0.68 million against TS amount of Rs.1.074 million and payment of Rs.0.614 million against TS amount of Rs.0.783 million and payment of Rs.0.879 million against TS amount of Rs.1.10 million vide Chief Engineers order dated 11.5.2001 hence no excess payment was made.

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

2. Para No.16 Page 24 of Audit Report for the year 2001-2002; Overpayment of Rs.0.093 Million on Account of Excessive Measurements

21.10.2006 The Department explained that on the directions of PAC dated 29-31/3/2006, the record was produced to Audit for verification.

Audit stated that the record was perused and it was found that the technical sanction estimate dated 12-9-2001 was produced and as per paid bill the works were commenced on 22-8-2001 and completed on 27-8-2001. Tenders for the work were not called for through press for achieving competitive rates and without obtaining the sanction of the Administrative Department under para 2.89(2) of PWD Code.

The Department further stated that in view of the above stated comments by the audit, an inquiry had been initiated to probe into the matter and fixed the responsibility.

The Committee **kept the para pending** with the directions that the inquiry proceedings be completed within 60 days.

3. Para No.24 Pages 31 & 32 of Audit Report for the year 2001-2002; Overpayment of Rs.0.140 Million Due to Non-Adjustment of Available Earth

21.10.2006 The Department explained that in compliance with the directions of the PAC dated 30.3.2006, the Sister Divisions besides other PWD Divisions had been requested vide letter dated 7/9/2006 to effect the recovery from M/s. Azhar Javed Contractors and disciplinary proceeding had also been initiated against the concerned officers/officials.

The Committee **kept the para pending** with the directions that the recovery be affected at the earliest and proceedings be completed within 90 days.

4. Para No.33 Pages 39 & 40 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.748 Million on Account of Sale Proceeds of Farm Products

21.10.2006 The Department explained that the para was discussed in the PAC meeting on 29-31/3/2006 and on the directions of the PAC, the total amount of Rs.747,874/- had been recovered and got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

5. Para No.37 Page 43 of Audit Report for the year 2001-2002; Non-Recovery of Rs.1.090 Million on Account of Rest-House Charges

A-Khanpur Canal Rest House

21.10.2006 The Department explained that on the directions of the PAC dated 29-31/3/2006, the headquarter 35 division Bhawalpur/headquarter 34 brigade Dera Nawab Sahib were requested to remit the rental charges of Rs.910,800/- but the headquarter had replied that the rest house was occupied by the Monitoring Team as a part of Nation Building duties in aid to civil powers.

This part of the **para was kept pending** with the directions that the amount be got written off by Finance Department.

B-Khanbela Canal Rest House

21.10.2006 The Department explained that on the directions of the PAC dated 29-31/3/2006, the Director General (FWO) and 24 Engineers Battlian Sialkot were requested to remit the rent charges of Rs.180,000/- but the headquarter Frontier Works Organization had replied that 24 Engineers were not under their orbit of command so a reminder on 4-10-2006 had been issued to headquarters FWO Rawalpindi, the reply was still awaited.

The Committee observed that FWO was a commercial organization hence the efforts be made to recover the amount.

This part of the para was kept pending.

6. Para No.40 Pages 45 & 46 of Audit Report for the year 2001-2002; Non-Recovery/Adjustment of Rs.18.064 Million Outstanding Against Officers/Officials

(Gujranwala Division)

21.10.2006 The Department explained that in compliance with the PAC directions dated 30.3.2006, the progress was as under:-

Sr. No.	Description	Status in March	Present Status
01	Total amount involved in draft para	Rs.4,504,000/-	Rs. 3,380,000/-
02	Amounts recovered or adjusted	Rs.120,367/-	Rs. 290,430/-
03	Un-adjusted operation charges on vehicles	Rs.184,979/-	Rs. 111,453/-
04	Amounts got written off by Competent Authority	Rs.113,207/-	Rs. 121,364/-
05	Write off cases submitted to Competent Authority	Rs.848,964/-	Rs. 914,105/-
06	Outstanding amount secured by mentioning in pension papers of Mr. Yaqub Raza, SDO (R)	<i>Nil</i>	Rs. 77,448/-
07	Funds demanded as per recommendation of enquiry officer to adjust the outstanding amount	<i>Nil</i>	Rs. 1,045,879/-
08	Fact-finding enquiry	Note done	Done
09	Statements of allegation submitted to competent authority	<i>Nil</i>	5 No. statements of allegation submitted
10	Proceedings under RSO Pension Rules initiated	<i>Nil</i>	2 No
11	Contact with sister divisions for settlement of outstanding amounts	No meeting held	Meetings held
12	Contact with other Departments for settlement of outstanding amounts	No contact	Letters written. Telephonically contacted

It was also stated that all out efforts were being made for recovery/adjustment or written off the balance amount.

The para was reduced to the extent of amounts recovered, written off and duplicate amount already involved in DP No. 122 for the year 1999-2000 and **kept pending** with the directions that the balance amounts be recovered, adjusted/written off within 90 days.

7. Para No.40 Pages 45 and 46 of Audit Report for the year 2001-2002; Non-Recovery/Adjustment of Rs.18.064 Million Outstanding against Officers/Officials

(Marala Division)

21.10.2006 The Department explained that as per directions of PAC dated 30-3-2006, inquiry had been initiated against concerned officials/officers and that will be completed within 90 days.

The para was kept pending.

8. Para No.51 Page 56 of Audit Report for the year 2001-2002; Non-Credit of Lapsed Deposits to Revenue for Rs.1.014 Million

21.10.2006 The Department explained that in compliance with the PAC directions dated 30.3.2006, total amount had been remitted to the claimants.

The Sub-Committee **settled the para subject to verification** by audit and directed that the concerned account be closed within 30 days.

9. Para No.52 Pages 56 and 57 of Audit Report for the year 2001-2002; Unauthorized Payment of Rs.4.388 Million Without Enhancement of Agreement

21.10.2006 The Department explained that in compliance with the PAC directions dated 31.3.2006, a fact finding inquiry was initiated by the SE in which it was concluded that draft para did not involve any loss to public ex-chequer and change in scope of work was approved by Chief Engineer. However, the approval for enhancement of contract was not obtained. Therefore, a request for ex post facto enhancement of contract had been submitted to FD on 21-9-2006.

The Sub-Committee **settled the para subject to clearance** by Finance Department.

10. Para No.69 Page 73 of Audit Report for the year 2001-2002; Irregular Execution of Works of Rs.2.710 Million

21.10.2006 The Department explained that on the directions of PAC dated 29-31/3/2006, the Superintendent Engineer Development Circle, Lahore was appointed as inquiry Officer who had submitted his finding but the final decision was under consideration by the Competent Authority.

The Committee **kept the para pending** with the directions that the final decision be taken by the Competent authority within 90 days.

11. Para No.78 Pages 81 & 82 of Audit Report for the year 2001-2002; Non-Accountal of Stock Worth Rs.16.449 Million

21.10.2006 The Department explained that on the directions of the PAC dated 29-31/03-2006, the record had been received from Anti-Corruption Directorate and Superintendent Engineer, Rawalpindi Canal Circle had been appointed as inquiry officer to inquire the matter within 60 days.

The Committee **kept the para pending.**

The paras were discussed in the meeting of Sub-Committee-VII held on 23.12.2006.

EDUCATION DEPARTMENT

Audit Paras (Commercial) for the year 2001-02

1. Para No.43 Pages 45 & 46 of Audit Report for the year 2001-2002; Working Results
2. Para No.44 Page 46 of Audit Report for the year 2001-2002; Working Results

23.12.2006 The Department explained that the paras were already discussed in the PAC meeting held on 27-28/2/2006 and was settled on the assurance of the Department that the situation would be improved in future. The Department further stated that under the new enactment, foundation had assumed a new role for the promotion of education, the vision of the foundation would be “to promote quality education through public-private partnership, encourage and support the efforts of private sector through technical and financial assistance, innovate and develop new instruments and enable the private educational institutions to champion the wider educational opportunities at affordable cost to the poor”

The Department further stated that new board of directors had approved the following schemes:-

- (i) Foundation Assisted Schools (PEF-FAS)
- (ii) Cluster Based Teachers Training (CBT-PPP)
- (iii) PEF Education Voucher Scheme (PEF-EVS)
- (iv) Teaching in clusters by Subject Specialists (PEF-TICSS)
- (v) PEF-Brain of Punjab (PEF-BOP)

The Finance Department was of the view that third party validation be conducted so that the expenditure *vis-à-vis* results achieved by the Punjab Education Foundation be examined by the PAC.

The Committee decided that **the paras had already been settled** but third party validation report be suited to the PAC at the earliest.

Audit Paras (Civil) for the year 2001-02

Board of Intermediate & Secondary Education, Gujranwala

- 1. Para No.2 Pages 59 & 60 of Audit Report for the year 2001-2002; Recovery of Rs.68,146/- on Account of Private Use of Vehicle**

23.12.2006 The Department explained that as per directions of PAC dated 28-2-2006 charges of the exceeded distance than 800 km per month were Rs.26,591/- which had been deposited in the boards account.

Audit verified the contention of the Department and recommended the para for settlement.

The para was settled.

- 2. Para No.8 Pages 64 & 65 of Audit Report for the year 2001-2002; Irregular Excess Expenditure on Repair of Vehicles Amounting to Rs.568,289/-**

23.12.2006 The Department explained that the whole amount had been recovered and deposited in the Boards Account.

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

Board of Intermediate & Secondary Education, Sargodha

- 3. Para No.2 Page 117 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.1,617,953/- Due to Non-Installation of Separate Electric Meters in the Residential Colony**

23.12.2006 The Department explained that on the directions of the PAC dated 28-2-2006, sealed electric meter had been installed at each and every residence and the charges were being deducted from salary bills of the residents.

The sub-Committee accepted the explanation of the Department and recommended **the para for settlement.**

- 4. Para No.4 Page 119 of Audit Report for the year 2001-2002; Irregular and Unjustified Expenditure Amounting to Rs.350,000/- on Account of Gas Charges**

23.12.2006 The Department explained that on the directions of the PAC dated 28.2.2006, the sue gas pipelines had been completed and the sealed meters had been installed by

Board at each and every residence and charges of sui gas were being recovered from salary bills of the concerned occupants.

The sub-Committee accepted the explanation of the Department and recommended **the para for settlement.**

Board of Intermediate & Secondary Education, Multan

5. Para No.6 Pages 48 & 49 of Audit Report for the year 2001-2002; Irregular Expenditure of Rs.885,055/- Incurred on Purchase of POL and Maintenance of Vehicles

23.12.2006 The Department explained that as per the directions of PAC dated 28-2-2006, the two vehicles MNT 9944 and MNT 9955 which were being used by the controlling authority had been returned back to the Board and in all such cases the vehicles used at Secretariat level had been returned to the concerned Board.

The sub-Committee recommended **to settle the para.**

Board of Intermediate & Secondary Education, Lahore

6. Para No.2 Page 106 of Audit Report for the year 2001-2002; Non-Adjustment of Advance Amounting to Rs.8,857,963/- (Para Reduced to Rs.5,514,934)

23.12.2006 The Department explained that as per directions of the PAC dated 28-2-2006, vouched accounts of advances for Rs.450,000/- had been further received and notices of recovery for Rs.140,000/- had been issued to the concerned officers on 6-9-2006.

The sub-Committee **kept the para pending** with the directions that the balance recovery be made from the salaries of the concerned officers.

7. Para No.3 Page 107 of Audit Report for the year 2001-2002; Irregular Expenditure on Running of Vehicles Valuing Rs.109,848/-

23.12.2006 The Department explained that the Board had regularized the expenditure vide its decision dated 21.1.1999 and 12.7.1999.

The sub-Committee accepted the explanation of the Department and recommended **the para for settlement.**

Board of Intermediate & Secondary Education, Faisalabad

8. Para No.4 Page 93 of Audit Report for the year 2001-2002; Irregular Payment of Sales Tax Amounting to Rs.1,483,494/- Without Obtaining Sales Tax Invoice

23.12.2006 The Department explained that as per directions of the PAC dated 28.2.2006, efforts were made and most of the firms had supplied the copies of sales tax returns amounting to Rs.472,149/- and the detailed report by the firms who had not provided the copy of sales tax returns had already been sent to the Collectorate of Sales Tax, Faisalabad on 19.8.2006.

The sub-Committee accepted the explanation of the Department and recommended **the para for settlement.**

9. Para No.5 Pages 93 & 94 of Audit Report for the year 2001-2002; Non-Adjustment of Advances Amounting to Rs.7,720,919/-

23.12.2006 The Department explained that as per directions of the PAC dated 28-2-2006, the remaining outstanding advance amounting to Rs.490,427/- had been got adjusted and no advance remained outstanding.

The Sub-Committee recommended to **settle the para subject to verification of adjustment by audit.**

Board of Intermediate & Secondary Education, Rawalpindi

10. Para No.4 Page 76 of Audit Report for the year 2001-2002; Irregular Deduction of Service Charges by the Bank Loss of Rs.51,700/-

23.12.2006 The Department explained that as per directions of the PAC dated 28-2-2006, Rs.51,700/- had been recovered and got verified by audit.

On the recommendation of audit, the Committee recommended **the para for settlement.**

11. Para No.5 Page 77 of Audit Report for the year 2001-2002; Non-Adjustment of Advances Valuing Rs.5,354,057/-

23.12.2006 The Department explained that adjustment of bulk amount had already been made whereas the balance outstanding amount was lying against Ex-Transport Officer who was mentally disturbed and retired on medical grounds.

The Committee observed that various advances were lying unadjusted for long periods which ought to have been timely adjusted/recovered from the concerned officials/officers. After detailed consideration of the matter, the Committee directed that Administrative department should issue instructions to discourage the practice of allowing advances as a matter of routine, and in no case a 2nd advance should be allowed till the payment/ adjustment of the 1st advance.

With above directions, the Sub-Committee recommended to **settle the para.**

12. Para No.6 Pages 77 & 78 of Audit Report for the year 2001-2002; Irregular Transfer and Non-Deposit of Auction Money Valuing Rs.257,500/- Against Vehicle No.RIP-6223

23.12.2006 The Department explained that as per directions of the PAC dated 28.2.2006, the total auction money had been remitted in Boards account which had been got verified by audit.

On the recommendation of audit, the Sub-Committee recommended **the para for settlement.**

13. Para No.9 Page 81 of Audit Report for the year 2001-2002; Non-Deposit of Profit Accrued on Term Deposit Receipt TDR/PLS into Board's Account (Amount not Assessed)

23.12.2006 The Department explained that this fund was being used in the curricular activities and Board did not contribute any thing any material.

The sub-Committee recommended to **settle the para** with the directions that the rules be framed for proper utilization of endowment fund.

(Other than Colleges)

14. Para No.1 Page 10 of Audit Report for the year 2001-2002; Recovery of Embezzled Amount of Rs.1,562,818/-

23.12.2006 The Department explained that the next date in the court of Anti-corruption was fixed for 17.01.2007 and the Supreme Court had not yet fixed the case/appeal for hearing.

The sub-Committee recommended to **kept the para pending being subjudice** in the court of law.

15. Para No.2.1 Page 11 of Audit Report for the year 2001-2002; Bogus Appointment of Teachers, Recovery of Rs.393,371/-

Govt. Girls High School Chak No.9/FW (District Bahawalnagar) – Rs.197,360/-

16. Para No.2.2 Page 11 of Audit Report for the year 2001-2002; Bogus Appointment of Teachers, Recovery of Rs.393,371/-

Govt. Girls High School Chak No.9/FW (District Bahawalnagar) – Rs.196,011/-

23.12.2006 The Department explained that the competent authority had approved initiation of action against the officers/officials under Punjab Employees Efficiency, Discipline and Accountability Act 2006 the proceedings were under process.

The Committee **kept the paras pending** with the directions that the action be completed at the earliest.

17. Para No.2.3 Page 11 of Audit Report for the year 2001-2002; Bogus Appointment of Teachers, Recovery of Rs.393,371/-

Govt. Girls High School Chak No.8/FW (District Bahawalnagar)

23.12.2006 The Department explained that as per directions of the PAC dated 27-2-2006, the record had been got verified by audit.

On the recommendation of audit, the Sub-Committee recommended **to settle the para.**

18. Para No.2.4 Page 11 of Audit Report for the year 2001-2002; Bogus Appointment of Teachers, Recovery of Rs.393,371/-

Govt. Girls High School Chak No.428/6R

23.12.2006 The Department explained that as per directions of the PAC dated 27-2-2006, the inquiry had been completed and the case had been submitted to the competent authority for action under Pension Rules 1.8 against the retired headmistress.

The sub-Committee **kept the para pending** with the directions that the action be completed at the earliest.

19. Para No.3 Pages 11 & 12 of Audit Report for the year 2001-2002; Drawl of Salary Rs.90,493/-

23.12.2006 The Department explained that as per directions of the PAC dated 27.2.2006, the BEO(SE) Sheikhpura constituted a committee to inquire the matter but the accused headmaster had expressed no confidence against the Inquiry Committee. Now the DEO(SE) had constituted an other Inquiry Committee to inquire into the matter.

The para was kept pending with the directions that the inquiry be completed within 30 days.

- 20. Para No.4.1 Page 13 of Audit Report for the year 2001-2002; Overpayment of Rs.126,980/- Due to Irregular Grant of Teaching Allowance/Selection Scale to Class IV Employees.**
-

Govt. Comprehensive Girls Higher Secondary School, Rawalpindi – Rs.69,600/-

23.12.2006 The Department explained that the total recoverable amount had been recovered and deposited into the government treasury.

The Sub-Committee recommended **the para for settlement.**

- 21. Para No.4.3 Page 13 of Audit Report for the year 2001-2002; Overpayment of Rs.126,980/- Due to Irregular Grant of Teaching Allowance/Selection Scale to Class IV Employees**
-

Govt. Lucy Harison Girls High Waris Road, Lahore – Rs.30,784/-

23.12.2006 The Department explained that the salary of the officer was sent to her bank account directly by the AG Punjab Lahore through computer and she did not join her duty after expiry of leave her superannuation was due on June 09, 2001, she had not yet applied for her pension and GP Fund. The amount would be recovered out of her pension whenever she applied for pension.

The Sub-Committee recommended **to settle the para** on the assurance of the department that the amount would be recovered from her pension whenever she applied for the same.

- 22. Para No.5 Page 14 of Audit Report for the year 2001-2002; Doubtful/Irregular Drawal of Pay & Allowances Amounting to Rs.80,150/- Recovery Thereof**
-

23.12.2006 The Department explained that as per directions of the PAC dated 28-2-2006, the recovery in the para 1(i), 2(i) and 3(i) had been made and deposited into the government treasury. So far as the case of para (vi) was concerned, the officer was entitled to special pay @ Rs.300/- pm which was not recoverable.

The Sub-Committee recommended **to settle the para subject to verification** of record by audit.

23. **Para No.6.1 Pages 14 & 15 of Audit Report for the year 2001-2002; Unauthorized Drawal of Conveyance Allowance During Vacations Recovery of Rs.62,698/-**
-

Govt. High School Sant Nagar, Lahore – Rs.31,718/-

23.12.2006 The Department explained that as per directions of the PAC dated 27-2-2006, total recovery had been effected and got verified by the audit.

On the recommendation of audit, the Sub-Committee recommended **to settle the para.**

24. **Para No.9.2 Pages 16 & 17 of Audit Report for the year 2001-2002; Non/Less Deposit of Tuition Fee Recovery of Rs.198,186/-**
-

Govt. Girls High School Seet Pur (District Muzafar Garh) – Rs.22,720/-

23.12.2006 The Department explained that the student funds calculated by audit was Rs.2,340/- but actual receipts effected in this respect was Rs.8,148/- which had been got verified by audit.

The sub-Committee accepted the explanation of the department and recommended **the para for settlement.**

25. **Para No.9.3 Pages 16 & 17 of Audit Report for the year 2001-2002; Non/Less Deposit of Tuition Fee Recovery of Rs.198,186/-**
-

Govt. Girls High School Mananwala, Sheikhpura – Rs.22,378/-

23.12.2006 The Department explained that as per directions of the PAC dated 27-2-2006, the inquiry had been completed and submitted to the competent authority for recovery under the Pension Rules. The Department assured that the recovery would be effected from her pension at the earliest.

The Sub-Committee recommended **to settle the para subject** to balance recovery and its verification by audit.

26. **Para No.9.4 Pages 16 & 17 of Audit Report for the year 2001-2002; Non/Less Deposit of Tuition Fee Recovery of Rs.198,186/-**
-

Govt. Higher Secondary School No.1 Bagh Sardaran, Rawalpindi – Rs.33,930/-

23.12.2006 The Department explained that as per directions of the PAC dated 27-2-2006, the irrecoverable amount had been got written off by the competent authority and got verified by audit.

On the recommendation of audit, the Sub-Committee recommended **the para for settlement.**

- 27. Para No.9.6 Pages 16 & 17 of Audit Report for the year 2001-2002; Non/Less Deposit of Tuition Fee Recovery of Rs.198,186/-**
-

Govt. Iqbal Model High School Bhikhi, Sheikhpura – Rs.51,273/-

23.12.2006 The Department explained that while issuing PPO of the widow of the deceased officer Rs.164,958/- had been withheld from the final payment including Rs.50,277/- relating to this para. The DAO, Sheikhpura had been requested for adjustment of withheld amount against tuition fee and school fund on 23.8.2006.

The para was recommended for settlement subject to recovery and its verification by audit.

- 28. Para No.29 Page 33 of Audit Report for the year 2001-2002; Blockage of Funds on Purchase of Science Demonstration Desk/Equipment Worth Rs.40,311,300/-**
-

23.12.2006 The Department explained that as per directions of the PAC dated 28-2-2006, the relevant record/document was produced to audit who had verified the same.

On the recommendation of audit, the Sub-Committee recommended to settle the para.

- 29. Para No.31 Pages 34 & 35 of Audit Report for the year 2001-2002; Irregular Payment of Rs.4,566,311/- to National Equipment Center.**
-

- 30. Para No.87 Pages 77 & 78 of Audit Report for the year 2001-2002; Non-Maintenance of Proper Consumption Record of POL Worth Rs.153,576/-**
-

- 31. Para No.92 Pages 81 & 82 of Audit Report for the year 2001-2002; Non-Production of Record of Amounting to Rs.19,424,090/-.**
-

23.12.2006 Audit pointed out that as per directions of the PAC dated 28.2.2006, the department had not produced the relevant record for verification.

The Department assured that the record would be got verified on 26.12.2006 positively.

The Committee recommended to settle the paras subject to verification of record by Audit.

32. Para No.64 Page 60 of Audit Report for the year 2001-2002; Irregular Appointment/Transfer and Payment of Salary Amounting to Rs.109,761/-

23.12.2006 The Department explained that as per directions of the PAC dated 28.2.2006, the department was pursuing the case vigorously for its early decision by the court. However, the case was still subjudice and no final order/decision had been made by the court so far.

The para was kept being subjudice.

33. Para No.78 Page 70 of Audit Report for the year 2001-2002; Irregular Drawal of Expenditure for Rs.64,393/-

23.12.2006 The Department explained that as per directions of the PAC dated 28-2-2006, the log book of the motor cycle and Suzuki jeep had been got verified by audit. So for as the case of double cabin van was concerned, the said vehicles were stolen alongwith the log book.

The Sub-Committee recommended **to settle the para subject to verification of record by audit.**

34. Para No.81 Page 72 of Audit Report for the year 2001-2002; Irregular Expenditure on Rent of Building Amounting to Rs.1,081,600/- and Recovery of Rs.35,200/-

23.12.2006 The Department explained that the building in question was hired by the “Seer Pvt. Limited”, a private agency to run the office of CAU (Construction Advisory Unit) dealing with Civil Works of PMSP. This office was totally maintained by the World Bank. The Department further stated that the office of PMSP was situated in the residence of the Principal, Govt. Pilot Secondary School, Wahdat Colony, Lahore. Later on, it was observed that a lot of time, POL and telephone expenditures were incurred due to the far off distance between these two units of PMSP. So it was decided by the Govt. to shift this office (PIU) in the same building at 298-A, New Muslim Town, Lahore. Because, already an office was running there, on the same terms & conditions as well as procedure was adopted. Secondly, on 30-6-2000, the CAU was closed and was to be wound up the record and other assets etc. It took two months, so after two months, one portion was vacated and the rent was paid accordingly with the permission of P&D Department.

The sub-Committee accepted the explanation of the Department and recommended **the para for settlement.**

The paras were discussed in the meeting of Sub-Committee-VII held on 24.03.2006.

Audit Para (Civil) for the year 2001-2002

- 1. Para No.33.1 Pages 31 of Audit Report for the year 2001-2002; Non-Recovery of Rs.54,096,887/- on Account of Charges of Police Guards Deployed at Various Departments.**
-

Senior Superintendent of Police, Multan Rs.1,293,866/-

24.03.2007 In compliance with the directions of PAC-II given in its meeting held on 26-2-2007, the representatives of the District Government, Multan attended the meeting. The Police Department contented that police guard charges were outstanding against the Municipal Corporation, Shah Rukn-e-Alam Multan. The Executive District Officer (F&P) Multan assured the Committee that total outstanding dues would be paid to the Police Department within one month after demanding funds in the 2nd statement of Excesses and Surrenders.

The Committee noted the above assurance of the EDO (F&P) Multan **and the para was kept pending** for recovery.

The paras were discussed in the meeting of Sub-Committee-VII held on 24.03.2007.

**INDUSTRIES AND MINERAL DEVELOPMENT DEPARTMENT
(TEVTA PUNJAB)**

Audit Paras (Civil) for the year 2001-02

Para No. 37.1 Page 34 of Audit Report for the year 2001-2002; Loss of Rs.1,410,990/- Due to Non-Occupation of Government Accommodations attached to the Institutions

Government Institute of Technology, Rahim Yaar Khan – Rs11,13,168/-

24.03.2007 In compliance with directions of PAC-II, given in its meeting held on 30 August 2006, the Communication & Works Department presented the Building Evaluation Reports before the Committee in respect of the following institutions:-

- I) Government Institute of Technology, Rahim Yar Khan.
- II) Government Institute of Technology, Gujranwala.
- III) Government Polytechnic Institute Attock.
- IV) Government Commercial Training Institute, Kasur.
- V) Government College of Technology Raiwind Road, Lahore.

The representative of TEVTA informed that Chairman TEVTA had personally visited the Government Polytechnique Institute Attock and observed that the building was in very dilapidated condition, lacking the basic amenities whereas the concerned officers of C&W Department contented that the aforesaid building was in satisfactory condition.

In view of the above situation, the Committee desired that Secretary C&W may personally visit the Polytechnique Institute Attock to thrash out the facts on ground and submit his report to the Sub-Committee-VII of Public Accounts Committee-II at the earliest.

The Committee was not satisfied with the reports of C&W department in respect of the remaining four institutions and decided that all the concerned officers of the C&W Department and TEVTA should attend the next meeting of the Sub-Committee-VII of PAC-II alongwith all the relevant record specially the PC-I and PC-IV of the projects duly commented upon by the Planning and Development Department.

The paras were discussed in the meeting of Sub-Committee-VII held on 24.03.2007 & 23.04.2007.

HEALTH DEPARTMENT

Audit Paras (Commercial) for the year 2001-2002

1. **Para No.56 Page 61 of Audit Report for the year 2001-2002; Recoverable Loan Amounting to Rs.900,000/-**

23.04.2007 The Department explained that incompliance with the directions of PAC-II dated 18 to 20.4.2006, the management had placed the case before the Board of Directors in its meeting held on 8.1.2007 which had waived off the surcharge amount.

Audit verified the contention of the Department and recommended the para for settlement.

The Sub-committee recommended to settle the para.

Audit Paras (Civil) for the year 2001-2002

1. **Para No.1 Page 9 of Audit Report for the year 2001-2002; Misappropriation of Probe Machine Worth Rs.150,000/-**

2. **Para No.38 Page 42 of Audit Report for the year 2001-2002; Recovery of Rs.157,975/- on Account of Irregular Payment of Demurrage Charges of C.T.Scan Machine**

3. **Para No.40.31 Pages 44 & 45 of Audit Report for the year 2001-2002; Shortage of Stock Articles Valuing Rs.99,602,812/-**

Nishtar Hospital, Multan – Rs.364,076/-

4. **Para No.45.5 Pages 48 & 49 of Audit Report for the year 2001-2002; Less Accountal of Medicines and Other Stores Recovery of Rs.631,282/- Thereof**

Nishtar Hospital, Multan – Rs.45,937/-

5. Para No.68 Pages 64 & 65 of Audit Report for the year 2001-2002; Un-Authorized Opening of Bank Account and Placing Rs.15,675,402/- in the Account Un-Authorizedly

23.04.2007 The Department explained that inquiries were conducted into the matters contained in the above paras which had been finalized but the same had not yet been approved by the Competent Authority /Administrative Secretary.

The Committee **kept the paras pending** with the directions that the Department should get the inquiry reports finalized /approved by the Competent Authority and present the same before the Public Accounts Committee-II in its meeting to be held on 27.4.2007.

6. Para No.2.1 Pages 9 & 10 of Audit Report for the year 2001-2002; Shortages of Stores Valuing Rs.783,365/-

Nishtar Hospital, Multan – Rs.54,810/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the revised shortage list duly signed by Incharge General Stores and Accountant revealed that the shortage reduced to Rs.7,783/95. On the directions of the MS Nishtar Hospital vide letter dated 11.4.1995 the said amount was deposited by the defaulter.

The Sub-committee accepted the explanation of the Department and recommended **to settle the para.**

7. Para No.8.1 Pages 16 & 17 of Audit Report for the year 2001-2002; Irregular Drawal of Mess and Dress Allowance- Rs.175,853/-

B.V.Hospital Bahawalpur – Rs.153,713/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18-20.4.2006, an amount of Rs.153713/- had been recovered and deposited in the Principal PLA account.

Audit verified the contention of the Department and recommended the para for settlement.

The Sub-committee recommended to **settle the para.**

8. Para No.9.1 Page 17 of Audit Report for the year 2001-2002; Loss of Rs.267,498/- Theft of E.C.G. Machines

Sh. Zayed Hospital R.Y.Khan – Rs.102,498/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the departmental inquiry had been completed. The inquiry officer fixed responsibility of theft of ECG machine on two charge nurses and one sanitary worker on duty in the old CCU at that night. The responsables had severally been warned and recovery of loss was being effected through the salary and Rs.22000/- had so far been recovered in monthly installments.

The Sub-committee recommended to **settled the para subject** to balance recovery.

9. Para No.18.1 Pages 27 & 28 of Audit Report for the year 2001-2002; Recovery of Rs.531,900/- Due to Irregular Payment of Washing Allowance

B.V.Hospital, Bahawalpur – Rs.187,380/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, recovery of Rs.82000/- on account of washing allowance due from 63 employees had been made from their salaries for the month of April and May 2006.

The Sub-committee recommended to **settle the para subject to verification** of recovery by audit and disciplinary proceedings under the Pension Rules against the concerned DDO.

10. Para No.19.1 Pages 28 & 29 of Audit Report for the year 2001-2002; Non-Deduction of Professional Tax – Rs.332,600/-

B.V. Hospital Bahawalpur – Rs.78,200/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, total amount had been recovered and got verified by audit.

Audit verified the contention of the Department and recommended the para for settlement.

The Sub-Committee recommended to **settle the para.**

11. Para No.23.7 Pages 31 & 32 of Audit Report for the year 2001-2002; Non-Collection Etc. of Utility Charges – Rs.8,549,642/-

B.V. Hospital Bahawalpur – Rs.70,000/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, total amount had been recovered and deposited in the principal PLA account.

Audit verified the contention of the Department and recommended the para for settlement.

The Sub-Committee recommended to **settle the para.**

12. Para No.40 Pages 44 & 45 of Audit Report for the year 2001-2002; Shortage of Stock Articles Valuing Rs.99,602,812/-

(40.29) Nishtar Hospital, Multan

23.04.2007 The Sub-committee observed that the audit comments were not available therefore, recommended to **pend the para.**

(40.30) Nishtar Hospital, Multan – Rs.138,993/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the record was thrashed out by the committee constituted by the MS Nishtar Hospital Multan. The Committee physically checked the stores in the relevant wards/departments of the hospital and no shortage was found.

The Sub-committee accepted the explanation of the Department and recommended to **settle the para.**

13. Para No.46 Pages 49 & 50 of Audit Report for the year 2001-2002; Non-Collection of Rent From Contractors Recovery of Rs.9,558,993/- Thereof

(46.7) Nishtar Hospital, Multan – Rs.5,077,594/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the matter of Honey Pharmacy (C) and Pakistan Medicine Pharmacy (A) was subjudice in the court and the next date of hearing was fixed for 26.5.2007. As far as the recovery from Nishtar Pharmacy (B) was concerned the case had been referred to the EDO (R) Multan on 2.9.2006 for recovery as arrears of land revenue.

The Sub-committee recommended to **keep the para pending** with the directions that as the department had admitted the recovery, inquiry be initiated and disciplinary action be taken against the concerned officers.

(46.8) Nishtar Hospital, Multan – Rs.412,500/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the para wise comments were as under:-

- i. The Habib Bank Ltd. Deposited Rs.360,000/- on account of rent @Rs.10,000/- per month as per agreement for the period 1.1.2001 to 31.12.2003, out of this deposited amount, the amount of Rs.180,000/- included for the period from 1.1.1999 to 30.6.2002 (18 months).
- ii. The post office authorities were approached for recovery who had stated that the post office was serving the hospital on its own request in the public interest therefore no recovery was received.

The Sub-Committee accepted the explanation of the department and recommended **to settle the para.**

14. Para No.61.3 Pages 59 & 60 of Audit Report for the year 2001-2002; Payment of Electricity Charges of Residences From Government Exchequer Due to Non-Installation of Separate Meters – Recovery of Rs.2,338,450/-

Nishtar Hospital, Multan – Rs.2,225,945/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the para wise comments were as under:-

1. Record relevant to the recovery of Rs.789,040/- was available which could be verified.
2. Against the recovery of Rs.138,905/- a sum of Rs.73,300/- had been recovered. Efforts were being made to recover the remaining amount from the defaulter.
3. The case regarding the recovery from Nishtar Pharmacy, Pakistan Pharmacy and Honey Pharmacy was still under trial in the court of law.

The Sub-Committee recommended **to keep the para pending with the directions** that inquiry be initiated and disciplinary action be taken against the concerned officers.

15. Para No.64 Page 62 of Audit Report for the year 2001-2002; Doubtful Repair of Machinery and Medical Equipments of the Hospital to the Extent of Rs.18,269,938/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the history sheets of the equipment had been prepared under the supervision of Principal Medical Officer (Purchase & Services) Nisthar Institute, Multan.

The Sub-Committee recommended **to settle the para** with the directions that the warning be issued to the concerned officer who had not prepared the history sheets of the equipment at the proper time.

16. Para No.67 Page 64 of Audit Report for the year 2001-2002; Loss of Rs.496,180/- Due to Expiry of Medicines and Other Material

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the meeting had been held with M/s Fazal Din & Sons for replacement of the VICRYL-I Polysorb. The company had assured that the replacement would be made till 30.6.2007. So far as the case of unusable medicines was concerned, the case had been referred to the Board of Management for write off.

The Sub-Committee recommended to **keep the para pending**.

17. Para No.90 Pages 84 & 85 of Audit Report for the year 2001-2002; Unjustified/ Irregular Payment on Account of Mobile Stand Lights Worth – Rs.381,300/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the matter was got probed under order of the Principal, Nishtar Medical College, Multan vide order dated 31.8.2006. The inquiry concluded that MS made the payment against pending liabilities after observing all codal formalities and no irregularity was found.

The Sub-Committee accepted the explanation of the department and recommended **to settle the para**.

18. Para No.97.3 Page 90 of Audit Report for the year 2001-2002; Irregular and Un-Authorized Payment of Pay and Allowances Rs.6,629,619/-

Sh. Zaid Hospital, R.Y.Khan – Rs.315,090/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the matter had been referred to the Finance Department for regularization.

The Sub-Committee recommended to **keep the para pending** till the regularization by Finance Department.

19. Para No.98.2 Page 91 of Audit Report for the year 2001-2002; Irregular Local Purchase of Medicines Worth Rs.6,607,565/-

B.V. Hospital Bahawalpur – Rs.6,375,226/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the Law Department had agreed with the view point of the department that audit of the institution should be conducted under regulation adopted by the Management Committee of the Institution. The Department had shown the letter of Law Department to the Committee.

The Sub-committee accepted the explanation of the Department and recommended to **settle the para.**

20. Para No.111.3 Pages 103 & 104 of Audit Report for the year 2001-2002; Unnecessary Expenditure of Account of Salary of Kitchen Staff Amounting to Rs.2,353,481/-

Sh. Zayed Hospital, R.Y.Khan – Rs.122,503/-

23.04.2007 The Department explained that in compliance with the directions of PAC-II dated 18 to 20.4.2006, the Administrative Secretary had inquired into the matter and assured the committee that the services of kitchen staff were being effectively utilized in the hospital.

The Sub-committee recommended to **settle the para.**

GENERAL OBSERVATIONS/DIRECTIONS

24.03.2007 The committee observed that Administrative Secretary neither attended the meeting nor communicated any reason for his absence. Moreover, the working papers submitted by the Administrative Department were unsigned.

The Committee took serious notice of these lapses on the part of Health Department and adjourned the meeting without transacting any business and directed that Secretary, Health Department should personally attend the next meeting of Public Accounts Committee-II to explain the reasons for the aforesaid lapses.

The paras were discussed in the meeting of Sub-Committee-VII held on 24.05.2007.

**Housing Urban Development &
Public Health Engineering Department**

**AUDIT PARAS (WORKS) FOR THE YEAR 2001-2002
(Autonomous Bodies)**

1. **Para No.1 Pages 9 & 10 of Audit Report for the year 2001-2002;
Overpayment of Rs.0.584 Million Due to Non-Utilization of Available Earth**
2. **Para No.3 Pages 11 & 12 of Audit Report for the year 2001-2002;
Overpayment of Rs.0.452 Million Due to Non-Utilization of Available Earth**

24.5.2007 The Department explained that as per directions of the PAC dated 27.4.2006, the observations of audit had been properly addressed.

Audit verified the contention of the Department and recommended to settle the paras.

On the recommendation of audit, **the paras were settled.**

3. **Para No. 2 Pages 10 & 11 of Audit Report for the year 2001-2002;
Overpayment of Rs.0.975 Million Due to Excessive Measurements**

24.5.2007 The Department explained that as per directions of PAC dated 27.4.2006, the case had been referred to the Finance Department for condonation.

The Sub-committee recommended to **kept the para pending** till condonation by Finance Department.

4. **Para No.5 Page 13 of Audit Report for the year 2001-2002; Overpayment of
Rs. 0.176 Million on Account of Allowing Higher Rate**
5. **Para No.8 Pages 16 of Audit Report for the year 2001-2002; Overpayment of
Rs.3.154 Million due to Inclusion of Additional Overheads in the Analysis of
Non-Schedule Rates**

24.5.2007 The Department explained that as per directions of the PAC dated 27.4.2006, the observation of audit had been properly addressed and record had also been got verified by audit.

On the recommendation of audit, **the paras were settled.**

6. Para No.7 Page 15 of Audit Report for the year 2001-2002; Overpayment of Rs.0.652 Million on Account of Allowing Higher Rate

24.5.2007 The Department explained that as per directions of PAC dated 27.4.2006, an amount of Rs. 17,000/- had been recovered and the rest of the amount required reconciliation.

The Sub-committee **kept the para pending** for reconciliation within 15 days.

7. Para No.10 Page 18 of Audit Report for the year 2001-2002; Non-Adjustment of Advances Rs.3.477 Million.

24.5.2007 The Department explained that the award was not acceptable to the awardees and they had gone to Civil Court. The next date of hearing was fixed for 14.6.2007.

The Sub-committee **kept the para pending** being subjudice in the Court of Law.

8. Para No. 11 Page 118 of Audit Report for the year 2001-2002; Non-Recovery of Rs.27.040 Million due to Non-imposition of Penalty

24.5.2007 The Department explained that as per directions of the PAC dated 27.4.2006, the Finance Department had clarified that the penalty would be effected on total estimated cost.

The Sub-Committee **kept the para pending** for 29.5.2007 for provision of completion report.

9. Para No.12 Pages 20 & 21 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.848 Million on Account of Fixed Fee

24.5.2007 The Department explained that as per directions of the PAC dated 28.4.2006, total recovery of Rs. 848750/- had been recovered and got verified by audit.

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

10. Para No.13 Pages 20 & 21 of Audit Report for the year 2001-2002; Non-Recovery of Rs.1.434 Million from the Allottees at Enhanced Rate

24.5.2007 The Department explained that the recovery of balance amount was pending due to stay order obtained by the auction purchaser from the civil court and the next date of hearing was fixed for 31.5.2007.

The Sub-committee **kept the para pending** being subjudice in the Court of Law.

11. Para No.16 Pages 23 & 24 of Audit Report for the year 2001-2002; Non-Recovery of Rs.0.577 Million on Account of Penalty From the Owners.

24.5.2007 The Department explained that as per directions of the PAC dated 28.4.2006, out of total recovery a sum of Rs. 37,376/- was yet to be recovered. It was also stated that Rs. 11,000/- was not due and a case for amount of Rs. 56,700/- was pending in the court of law. The next date of hearing was fixed for 24.7.2007.

The Sub-committee **kept the para pending** with the directions that the amount not due be got verified by audit and the case be pursued in the court of law.

12. Para No.17 Pages 24 & 25 of Audit Report for the year 2001-2002; Non-Recovery of Rs.1.677 Million on Account of Cost of Land and Development Charges

24.5.2007 The Department explained that as per directions of PAC dated 28.4.2006, Rs. 959,325/- had been recovered and got verified by audit. It was further stated that an amount of Rs. 328,235/- was not due.

The Sub-committee **kept the para pending** with the directions that amount not due be got verified by audit within 15 days.

13. Para No.18 Pages 25 & 26 of Audit Report for the year 2001-2002; Non-Recovery of Rs.4.300 Million on Account of Water Supply Connections.

24.5.2007 The Department explained that as per directions of the PAC dated 27.4.2006, the matter was inquired into and it had been found that the then Director O&M, Lt. Col. (r) Ghulam Yasdani Qureshi was responsible.

The Sub-committee was not satisfied with the inquiry report and desired that a fresh inquiry be initiated by the Administrative Secretary and completed within 30 days.

The para was kept pending.

14. Para No.19 Pages 26 & 27 of Audit Report for the year 2001-2002; Loss of Rs.1.603 Million due to Non-Registration/Affiliation of Private Housing Schemes

24.5.2007 The Department explained that as per directions of the PAC dated 28.4.2006, the matter of jurisdiction of FDA had been settled and the pending amount had been recovered and got verified by audit.

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

15. **Para No.21 Pages 29 of Audit Report for the year 2001-2002; Unauthorized expenditure Rs. 0.261 Million due to use of POL in Excess of Ceiling**

24.5.2007 The Department explained that the para was discussed in the PAC meeting dated 27.4.2006 and recovery of Rs. 0.260 million was imposed on the defaulter. It was further stated that the matter was reviewed in the 73rd meeting of governing body dated 19.11.2006 and after detailed discussion/consideration of facts the governing body regularized the excess use of expenditure.

The Sub-committee shown its displeasure that once the matter was discussed by the PAC and a decision was taken that could not be reviewed by the governing body and desired that the recovery be got made from the salary of MD WASA and Director Finance & Audit WASA at source.

The para was kept pending.